



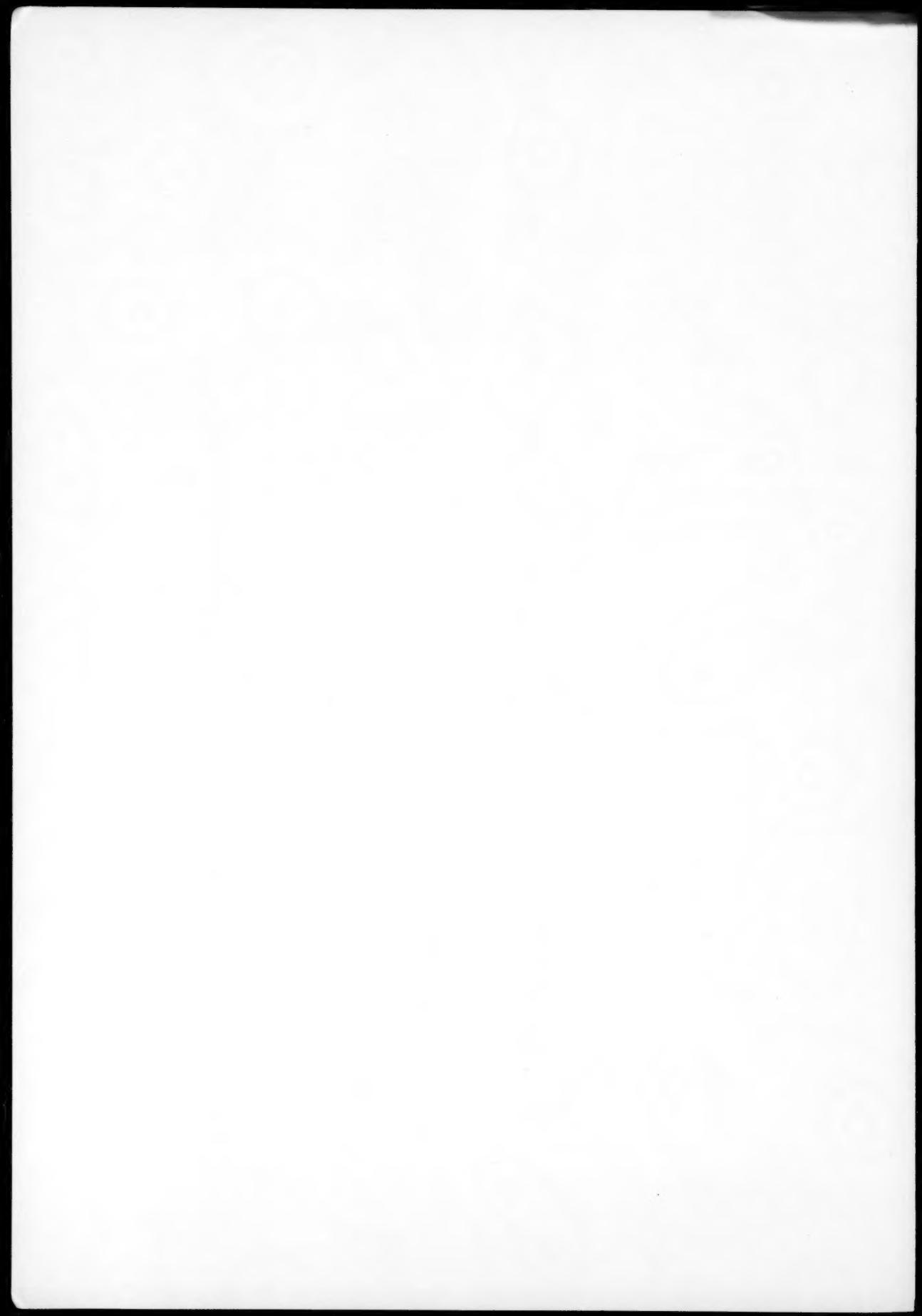
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Michigan State Medical Society  
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September 27-30, 1959



*(This number is composed of three sections, of which this is Section 2)*



# MSMS Ninety-Fourth Annual Session—1959

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# MSMS House of Delegates-1959

## Summary of Proceedings

The Ninety-fourth Annual Session of the Michigan State Medical Society's House of Delegates was held in Grand Rapids, September 27-30, 1959.

### *The House of Delegates:*

1. *Adopted with thanks the Speaker's remarks;* the President's remarks; the President-Elect's remarks; the report of Delegates to the American Medical Association; the report of Woman's Auxiliary to Michigan State Medical Society; the report of the Michigan State Medical Assistants Society; and the amended report of the Reference Committee on the Michigan Medical Service report.
2. *Approved the amended report of the Reference Committee on Annual Reports of The Council including recommendations* (a) to send MSMS representatives to Washington, D. C., in 1960 on Michigan Day; (b) to arrange Councilor Conferences prior to 1960 Annual Session; (c) to have an evaluating team visit those county medical societies that request same. The Annual and Supplemental Reports of Committees of The Council were approved, with commendation.
3. *Adopted Annual Reports of House of Delegates Committees:* (a) Permanent Advisory Committee on Fees; (b) Committee on Committees; (c) MCIC Study on Alternate Methods of Payment to Non-participating Physicians. Took no action on (a) Report of Study Committee on Term of Councilor; and on (b) Annual Report of Ad Hoc Study Committee on Regional Election of MMS Board Members, pending action of Liaison Committee with Blue Shield Medical Care Plans.
4. *Adopted Annual Reports of all Standing Committees and of all Special Committees of The Society except one recommendation of the Mental Health Committee re membership on Michigan Medical Service Board of Trustees.*
5. *Approved presentation made by the Chairman of the Blue Shield Medical Care Plans* (except Item 5, page 7 re National Account Agreement; the House of Delegates recommended to Michigan Medical Service that it adopt this Agreement) and referred the entire problem of relationship of Michigan Medical Service and the Michigan State Medical Society to a Special Liaison Committee with the Blue Shield Medical Care Plans (a committee of the House of Delegates).
6. *Adopted Resolutions concerning:* (a) Memory of the late L. Fernald Foster, M.D.; (b) Kalamazoo State Hospital's Centennial; (c) Freedom of Choice of Contract in Michigan Medical Service (as amended); (d) Hospital Committee Reports, prevents subpoena (referred to Legal Affairs Committee); (e) MMS Board of Directors; publish nominations for; (f) MMS Sponsorship of Michigan Medical Service; (g) MMS Board of Directors; Maximum Term of Members; (h) Adoptions; (i) Geriatrics Chairs in Medical Schools (as amended); (j) House of Delegates' Committee to Study Malpractice (as amended); (k) Itemization of Blue Cross-Blue Shield Premium Notices (as amended); (l) Civil Defense Training Programs (as amended); (m) Medical Student Recruitment (as amended); (n) Other Professions: Reduced Fees to Senior Citizens (as amended); (o) Commendation to Medical Care Insurance Committee; (p) Delegates' Handbook Listing of MSMS Officers.
7. *Adopted Substitute Resolutions concerning:* (a) Modification of M-75 to \$5,000 Income Limit; and Modification of M-75 to \$6,500 Income Limit; (b) Reaffirming 1957 Statement of Principles (as amended); this resolution was referred to the Liaison Committee with Blue Shield Medical Care Plans; (c) MMS: Participating and Non-participating Physicians to be paid in same manner (as amended); (d) Creation of House of Delegates' Standing Committee on Constitution and Bylaws; (e) Michigan Medical Service: Family Income Determination; (f) Transmitting Council minutes to Delegates; (g) Transmitting Council minutes to County Society Secretaries; (h) Michigan Medical Service: Study of Remuneration for Prolonged and/or Complicated Cases (referred to Liaison Committee with Blue Shield Medical Care Plans); (i) MMS: Determining Total Annual Family Income.
8. *Referred to MSMS Maternal Health Committee a Resolution re Pre-natal Health Program of Michigan Department of Health.*
9. *Took no action on the following Resolutions:* (a) MMS: Promote Sale of Deductible and Limited Service Contracts; (b) House of Delegates to Approve Pre-payment Plans Contracts (referred to Liaison Committee with Blue Shield Medical Care Plans); (c) American Association of Physicians and Surgeons Membership; (d) Spring Session of MSMS House of Delegates (ruled out of order).
10. *Disapproved the following Resolutions:* (a) Portion of Dues Rebated to County Society for Local Public Relations Program; (b) MMS: Changes in Public Advertising.
11. *Amended the MSMS By-laws:* (a) Chapter 16, Section 2: Dues Delinquency Date Change; (b) Chapter 6: Transposing Sections 11 and 12; (c) Chapter 16 new Section 4: Reduced Dues for Younger Members so Privileged by their County Medical Societies; (d) Chapter 11, Section 3: Eliminate Cancer Control Committee; (e) Chapter 11, Section 1-(e): Change name of Legislative Committee to Legal Affairs Committee; (f) Chapter 4, Section 4: Include Death as Reason for Refund of MSMS Dues; (g) Chapter 11, Section 5: Membership on Ethics Committee; (h) Chapter 12, Section 3: Election of Four Delegates to A.M.A. in Alternate Years (as amended); (i) Chapter 12, Section 3: Terminology of "meeting" and "session"; (j) Chapter 6, Section 6: Investigative Procedures; (k) Chapter 7, Section 3: Investigative Procedures. Adopted Substitute Resolution Concerning By-laws' amendments to Chapter 10, Section 7 re Editor to be Elected by House of Delegates, but referred this matter to a special House of Delegates Committee to Study MSMS Publications.

## SUMMARY OF PROCEEDINGS, HOUSE OF DELEGATES, 1959

Deferred for one year proposed amendments to Constitution: (a) Article X, Section 1 re Election of Secretary by House of Delegates; (b) Article X, Section 1 re Election of Treasurer by House of Delegates; (c) Article X, new Section 3 re Voting Privileges of Secretary and Treasurer. Table for one year proposed amendment to Bylaws, Chapter 11, Section 2 re membership on Postgraduate Medical Education Committee.

Amended and referred to a special House of Delegates Study Committee a proposed amendment to Bylaws, Chapter 9, Sections 1-2 and Chapter 10, Section 2 re Councilors to be members of House of Delegates. Other investigations were referred to this Special Committee.

Disapproved Resolutions re amendments to Bylaws: (a) Chapter 6, Section 6: Investigation of Misconduct; (b) Chapter 16, new Section 4: Deferral of Dues; (c) Deletion of Chapter 7 re Grievance Committee; (d) Chapter 6, Section 7, to delete "dismissal" in last sentence; (e) Chapter 5, Section 3-(e) re Active Membership for Armed Forces, Public Health Service, and Veterans Administration Officers.

**12. Elected the following officers:**

- (a) Wm. A. Scott, M.D., Kalamazoo, as Councilor of the 4th District (1961)—to fill the unexpired term of Ralph W. Shook, M.D., deceased.
- (b) B. M. Harris, M.D., Ypsilanti, as Councilor of the 14th District (1964).
- (c) R. J. Mason, M.D., Birmingham, as Councilor of the 15th District (1960)—to fill the unexpired term of D. Bruce Wiley, M.D.
- (d) Wm. Bromme, M.D., Detroit, as Councilor of the 18th District (1964).
- (e) W. A. Hyland, M.D., Grand Rapids (1961). J. S. DeTar, M.D., Milan (1961), C. I. Owen, M.D., Detroit (1961), and O. J. Johnson, M.D., Bay City (1961), as Delegates to the American Medical Association.
- (f) J. R. Heidenreich, M.D., Daggett (1960—to fill the unexpired term of Ralph W. Shook, M.D., deceased), W. W. Babcock, M.D., Detroit (1961), G. B. Saltonstall, M.D., Charlevoix (1961), J. M. Wellman, M.D., Lansing (1961), and B. M. Harris, M.D., Ypsilanti (1961), as Alternate Delegates to the American Medical Association.
- (g) K. H. Johnson, M.D., Lansing, as President-Elect.
- (h) J. J. Lightbody, M.D., Detroit, as Speaker of the House of Delegates.
- (i) H. F. Falls, M.D., Ann Arbor, as Vice-Speaker of the House of Delegates.

**13. Elected Archer A. Claytor, M.D., Saginaw, as Michigan's Foremost Family Physician for 1959.**

**14. Presented Fifty-Year Awards to:**

Corwin S. Clarke, M.D., Jackson; Henry Cook, M.D., Flint; Ferdinand Cox, M.D., Jackson; Walter L. Finton, M.D., Jackson; E. V. Joinville, M.D., Detroit; John S. Lambie, M.D., Birmingham; Ralph W. Ridge, M.D., Wyandotte; John T. Sample, M.D., Saginaw; and Emma L. W. Sheppard, M.D., Fenton.

**15. Elected to Special Memberships:**

- (a) **Thirty-nine members to Life Membership—** Branch County: Walter J. Bien, M.D.; Calhoun County: William R. Chynoweth, M.D., and James R. Jeffrey, M.D.; Genesee County: John J. Kurtz, M.D., Robert D. Scott, M.D. and Nell M. Ward, M.D.; Houghton-Baraga-Keweenaw County: John J. Burke, M.D., Raymond E. Hillmer, M.D. and Alfred LaBine,

M.D.; Ingham County: Oscar H. Bruegel, M.D. and Alfred J. Drolett, M.D.; Jackson County: Randall M. Cooley, M.D., Starr L. Kline, M.D. and Miar J. McLaughlin, M.D.; Kalamazoo County: William C. Huyser, M.D., William G. Hoebeke, M.D. and R. A. Morter, M.D.; Kent County: Walter W. Oliver, M.D.; Lapeer County: Daniel J. O'Brien, M.D.; Muskegon County: Charles B. Fleishmann, M.D.; Northern Michigan Counties: Frederick C. Mayne, M.D.; Oakland County: Frank B. Gerls, M.D. and Campbell Harvey, M.D.; Wayne County: Charles W. Balser, M.D., Clarence A. Berge, M.D., Perry S. Black, M.D., Julius Y. Burnstine, M.D., Laurence A. Chrouch, M.D., Harold E. Clark, M.D., John F. Demaray, M.D., Harry Goldberg, M.D., Howard Havers, M.D., Ellis R. Green, M.D., Charles Lemmon, M.D., Harold L. Morris, M.D., Clarence V. Smith, M.D., Benjamin R. Springborn, M.D., Peter L. Warner, M.D., and Henry R. Carstens, M.D.

- (b) **Fourteen members to Retired Membership—** Calhoun County: Kenneth B. Keeler, M.D.; Houghton-Baraga-Keweenaw Counties: Charles R. Smith, M.D.; Ingham County: Octavius M. Randall, M.D. and Abraham A. Steiner, M.D.; Kent County: Laurence W. Hayes, M.D., Leeland M. McKinley, M.D. and Carl A. Sustrong, M.D.; Livingston County: Jesse J. Hendren, M.D.; Muskegon County: Carl A. Wilke, M.D.; Oakland County: Lionel N. Merrill, M.D.; Wayne County: William E. Jahsman, M.D., Harley L. Krieger, M.D., Bruce C. Lockwood, M.D. and Gordon B. Myers, M.D.

- (c) **Seventy-one members to Associate Membership—** Kalamazoo County: Howard C. Lavender, M.D.; Oakland County: Kenneth E. Corrigan, Ph.D., H. S. Hayden, Ph.D.; Washtenaw County: Francis J. Allaire, M.D., James B. Beatty, M.D., John R. Beljan, M.D., Ralph L. Brandt, M.D., Jack L. Court, M.D., Charles A. Cunningham, M.D., Richard S. Dillman, M.D., Richard H. Earle, M.D., Charles H. Eid, M.D., William R. Feltner, M.D., Richard C. Field, M.D., James B. Fish, M.D., Paul W. Gikas, M.D., William C. Grabb, M.D., Gordon J. Grout, M.D., Ng Harry Hing, M.D., F. Deborah Johnson, M.D., Robert F. Johnston, M.D., Robert H. Joseph, M.D., W. W. W. Kimbrough, M.D., Frederick J. Kingery, M.D., Charles F. Krausse, M.D., Edwin H. Kroon, M.D., Richard A. Kutcipal, M.D., Theodore R. Lamott III, M.D., Edwin H. Lewis, M.D., Jose J. Llinas, M.D., Marvin J. Lubeck, M.D., W. Frank Matthews, M.D., Jack D. McCarthy, M.D., John M. McGehee, M.D., Leo J. Miedler, M.D., Earl M. Mumford, M.D., Thomas C. Murphy, M. D., Harold A. Oberman, M.D., John O'Sullivan, M.D., Roy Patterson, M.D., Frank N. Ritter, M.D., George W. Schemm, M.D., Bernard S. Silverstein, M.D., Iver F. Small, M.D., Purcell Smith, Jr., M.D., David B. Stevens, M.D., Clarence H. Tannel, M.D., John B. Wear, Jr., M.D., Jack C. Westman, M.D., Eugene I. Winkelman, M.D., and Lawrence H. Wilk, M.D.; Wayne County: John G. Bayles, M.D., Sidney Berman, M.D., H. L. Buller, M.D., H. Neill Calkins, M.D., Jacob L. Chason, M.D., Emerson O. Evison, M.D., Lionel Finkelstein, M.D., Barbara A. Hardt, M.D., Lewis G. Harmon, M.D., Lawrence J. Jamison, M.D., W. H. M. Johnson, M.D., George M. LeGalee, M.D., Philip L. Lathrop, M.D., Elizabeth Levy, M.D., Richard L. Novack, M.D., Robert L. Schaefer, M.D., Thomas O. Sage, M.D., Burton L. Schmier, M.D., Elwood A. Sharp, M.D., and John E. Webster, M.D.

# Michigan State Medical Society

## DIGEST OF PROCEEDINGS OF THE 1959 HOUSE OF DELEGATES

### SUNDAY EVENING SESSION September 27, 1959

The Ninety-fourth Annual Meeting of the House of Delegates of the Michigan State Medical Society, held on September 27-30, 1959, at the Pantlind Hotel, Grand Rapids, Michigan, convened at 8:30 p.m., K. H. Johnson, M.D., Speaker of the House of Delegates, presiding.

### I. RECORD OF ATTENDANCE

#### I. OFFICERS

K. H. Johnson, M.D., Speaker  
J. J. Lightbody, M.D., Vice Speaker  
D. Bruce Wiley, M.D., Secretary

#### II. MEMBERS AT LARGE

G. W. Slagle, M.D., Immediate Past President  
A. V. Wenger, M.D., Honorary Member

#### III. MEDICAL STUDENTS

##### Meetings

	1st	2nd	3rd	4th	5th	6th
<b>UNIVERSITY OF MICHIGAN</b>						
Robert J. Fisher	-	x	x	x	x	-
Froncie Gutman	-	x	x	x	x	-
Jack Mraz	-	x	x	-	x	-
B. H. MacPherson	-	x	x	-	x	-
Tom Rush	-	x	x	-	x	-
<b>WAYNE STATE UNIVERSITY</b>						
John R. Manis	x	x	x	-	x	x
Newell K. Richardson	x	x	-	-	-	-
John Rienstra	x	x	x	-	-	-
Joseph B. Serra	x	x	x	-	x	x
Robert Threlkeld	-	x	x	-	-	-
Henry Winkler	x	x	x	-	x	-

#### IV.—DELEGATES

##### ALLEGAN

L. F. Brown, M.D. x x x x x x

##### ALPENA-ALCONA-PRESQUE ISLE

E. S. Parmenter, M.D. x x x x x -

##### BARRY

A. B. Gwin, M.D. x x x x x x

##### BAY-ARENAC-JOSCO

David A. Bowman, M.D. x x x x x x

Stanley A. Cozens, M.D. x x x x x x

##### BERRIEN

Noel J. Hershey, M.D. x x x x x x

D. W. Thorup, M.D. x x x x x x

##### BRANCH

R. J. Fraser, M.D. x x x x x x

##### CALHOUN

Harvey C. Hansen, M.D. x x x x x x

G. T. Kelleher, M.D. x x x - x x

##### CASS

Sherman L. Louper, M.D. x x x x x x

##### CHIPPEWA-MACKINAC

Earl S. Rhind, M.D. x x x x - x

##### CLINTON

F. W. Smith, M.D. x x x x x x

##### DELTA-SCHOOLCRAFT

J. R. Dehlin, M.D. x x x x x x

##### DICKINSON-IRON

D. R. Smith, M.D. x x x x x x

**DIGEST OF PROCEEDINGS, HOUSE OF DELEGATES, 1959**

**MIDLAND**

Harold L. Gordon, M.D.      -    x    x    x    x    x

**MONROE**

Samuel N. Kelso, Jr., M.D.    x    x    x    x    x    x

**MUSKEGON**

De Vere R. Boyd, M.D.      x    x    x    -    x    x  
H. C. Tellman, M.D.      x    x    x    x    x    x

**NEWAYGO**

J. Paul Klein, M.D.      x    x    x    x    x    x

**NORTH CENTRAL**

Louis F. Hayes, M.D.      x    x    x    x    x    x

**NORTHERN MICHIGAN**

Gerald A. Drake, M.D.      x    x    x    x    x    x

**OAKLAND**

R. M. Bookmyer, M.D.      x    x    x    x    x    x  
R. W. Bullard, Jr., M.D.    x    x    x    x    x    x  
M. A. Haanes, M.D.      x    x    x    x    x    x  
F. J. Kemp, M.D.      x    x    x    x    x    x  
M. C. Kozonis, M.D.      x    x    x    x    x    x  
P. T. Lahti, M.D.      x    x    x    x    x    x  
R. J. Mason, M.D.      x    x    x    x    x    x  
W. J. Zimmerman, M.D.    x    x    x    x    x    x

**OCEANA**

W. A. Hasty, M.D.      x    x    x    x    x    x

**ONTONAGON**

Wm. F. Strong, M.D.    x    x    x    x    -    x

**OTTAWA**

Otto Van der Velde, M.D.    x    x    x    x    x    x

**SAGINAW**

V. V. Bass, M.D.      x    x    x    x    x    x  
J. P. Markey, M.D.    x    x    x    x    x    -  
A. C. Stander, M.D.    x    x    x    x    x    x

**ST. CLAIR**

J. J. Coury, Jr., M.D.    x    x    x    x    x    x

**ST. JOSEPH**

S. A. Fiegel, M.D.    x    x    x    x    x    x

**SANILAC**

K. T. McGunegle, M.D.    x    x    x    -    x    x

**SHIAWASSEE**

C. L. Weston, M.D.    x    x    x    x    x    x

**TUSCOLA**

L. L. Savage, M.D.    x    x    x    x    x    x

**VAN BUREN**

T. J. Dillon, M.D.    x    x    x    x    x    x

**WASHTENAW**

O. K. Engelke, M.D., and  
S. T. Harris, M.D.    x    x    x    -    -    -  
H. F. Falls, M.D.      x    x    x    x    x    x  
Theodore G. Kabza, M.D.    x    x    x    x    x    x  
H. A. Scoville, M.D.    x    x    x    x    x    x  
R. Wallace Teed, M.D.    x    x    x    x    x    x  
Victor M. Zerbi, M.D.    x    x    x    x    x    x

**WAYNE**

Sidney Adler, M.D.      x    x    x    x    x    x  
Raphael Altman, M.D.    x    x    x    x    x    x  
E. C. Baumgarten, M.D.    x    x    x    x    x    x  
J. B. Blodgett, M.D.    x    x    x    x    x    x  
G. T. Bradley, M.D.    x    x    x    x    x    x  
J. R. Brown, M.D.    x    x    x    x    x    x  
D. A. Cameron, M.D.    x    x    x    x    x    x  
M. O. Cantor, M.D.    x    x    -    x    x    x  
W. S. Carpenter, M.D.    x    x    x    x    x    x  
S. E. Chapin, M.D.    x    x    x    x    x    x  
W. C. C. Cole, Sr., M.D.    x    x    x    x    x    x  
R. R. Cooper, M.D.    x    x    x    x    x    x  
W. J. Coulter, M.D.    x    x    x    x    x    x  
M. S. Dennis, M.D.    x    x    x    x    x    x  
H. W. Devine, M.D.    x    x    x    x    x    x  
G. S. Fisher, M.D.    x    x    x    x    x    x  
J. D. Fryflogie, M.D.    x    -    x    x    x    x  
H. M. Fuller, M.D.    x    x    x    x    x    x  
P. C. Gittins, M.D.    x    x    x    x    x    x  
H. W. Henderson, M.D.    x    x    x    x    x    x  
Joseph Hickey, M.D.    x    x    x    x    x    x  
H. A. Howes, M.D.    x    x    x    x    x    x  
P. J. Huber, M.D.    x    x    x    x    x    x  
Louis Jaffe, M.D.    x    x    x    x    x    x  
R. J. Kokowicz, M.D.    x    x    x    x    x    x  
E. G. Krieg, M.D.    x    x    x    x    x    x  
A. M. Large, M.D.    x    x    x    x    x    x  
F. B. Levagood, M.D.    x    x    x    x    x    x  
A. B. Levant, M.D.    x    x    x    x    x    x  
J. J. Lighthbody, M.D.    x    x    x    x    x    x  
Edgar E. Marimer, M.D.    x    x    x    x    x    x

J. F. McGuire, M.D.      x    x    x    x    x    x

Wm. B. McIntyre, M.D.    x    x    x    x    x    x

Don W. McLean, M.D.    x    x    x    x    x    x

R. L. Novy, M.D.      x    x    x    x    x    x

C. I. Owen, M.D.      x    x    x    x    x    x

Howard C. Rees, M.D.    x    x    x    x    x    x

F. P. Rhoades, M.D.    x    x    x    x    x    x

A. Z. Rogers, M.D.    x    x    x    x    x    x

A. D. Ruedemann, Sr., M.D.    x    x    x    x    x    x

John G. Slevin, M.D.    x    x    x    x    x    x

Henry L. Smith, M.D.    x    x    x    x    x    x

David I. Sugar, M.D.    x    x    x    x    x    x

D. N. Sweeny, Jr., M.D.    x    x    x    x    x    x

E. J. Tallant, M.D.    x    x    x    x    x    x

E. M. Vardon, M.D.    x    x    x    x    x    x

Milton R. Weed, M.D.    x    x    x    x    x    x

Jacob F. Wenzel, M.D.    x    x    x    x    x    x

R. K. Whiteley, M.D.    x    x    x    x    x    x

Joseph A. Witter, M.D.    x    x    x    x    x    x

Richard E. Wunsch, M.D.    x    x    x    x    x    x

Wm. J. Yott, M.D.    x    x    x    x    x    x

**WEXFORD-MISSAUKEE**

Gregory P. Moore, M.D.    x    -    -    x    x    -

**II. IN MEMORIAM**

As the first order of business, the names of the Delegates who have passed away since the last meeting were read:

*Bay County*

L. Fernald Foster, M.D.  
(Delegate 1933-34-35-36)  
(Secretary of the Michigan State Medical Society 1937 through May, 1959)  
Joseph C. Grosjean, M.D.  
(Alternate 1940)

*Genesee County*

John T. Connell, M.D.  
(Alternate 1943-44)  
Southard T. Flynn, M.D.  
(Alternate 1953-54)  
Kendall Hooper, M.D.  
(Alternate 1957)  
Edwin P. Vary, M.D.  
(Alternate 1949-50-51-52)

*Kalamazoo County*

Ralph W. Shook, M.D.  
(Delegate 1949-50-51)

*Marquette County*

Benzoin C. Barron M.D.  
(Alternate 1953-54-55)

*North Central Counties*

Martin A. Martzowka, M.D.  
(Alternate 1945)  
Gordon L. McKillip, M.D.  
(Alternate 1954)

*Oceana County*

Fred A. Reetz, M.D.  
(Alternate 1941)

*Washtenaw County*

Herman H. Ricker, M.D.  
(Delegate 1945 through 1950)

*Wayne County*

Alexander W. Blain, M.D.  
(Delegate 1942)  
William J. Cassidy, M.D.  
(Delegate 1957-1958)  
Grover C. Penberthy, M.D.  
(Delegate 1940-41-42-47-48-49-50-51-53-54-55)  
Frank A. Weiser, M.D.  
(Alternate 1941-44-45)  
(Delegate 1943, 1946 through 1955)

## DIGEST OF PROCEEDINGS, HOUSE OF DELEGATES, 1959

### II—1. RESOLUTION TO THE MEMORY OF L. FERNALD FOSTER, M.D.

**THE SPEAKER:** With your permission I should like to entertain a special order of business at this time, which is the reading of a resolution that is part of the annual report of The Council as printed in your Handbook. I shall ask Dr. Schiller, Chairman of The Council, to read the resolution.

**A. E. SCHILLER, M.D.:** Mr. Speaker, I would like to read a resolution in memory of L. Fernald Foster, M.D., our deceased and very much beloved Secretary for so many years.

"Whereas, at best our personal knowledge is meager and our memories short, and

"Whereas, we have had with us a man of great depth of character, high scientific attainment, and blessed with broad administrative abilities, and

"Whereas, his accomplishments have not always carried his name, for he was always one to forsake personal credit in favor of project success, and

"Whereas, to attempt to list herein his contributions to the organization and advancement of his chosen profession would be endangered by our inability to surely complete such a task, and

"Whereas, for his twenty-three years as Secretary of the Michigan State Medical Society, for serving as its President, and as the President of Michigan Medical Service he deserves rewards far in excess of any he received while on this earth or any that we can now offer; therefore, be it

**"RESOLVED:** That we, severally and as a body, do hereby make permanent record of our admiration and respect for L. Fernald Foster, M.D.; that we note with sorrow his untimely passing; and that we do recognize with thanks to his memory and his family the unparalleled contribution he made to the medical profession over the quarter-century that he served as an officer and leader of his beloved Michigan State Medical Society; and be it further

**"RESOLVED:** That a copy of this resolution be prepared in appropriate form, made a part of the minutes of this meeting, and forwarded to the many members of Doctor Foster's family."

**THE SPEAKER:** Thank you, Dr. Schiller.

As a special order of business I would ask for approval of this resolution by this House of Delegates.

**D. I. SUGAR, M.D. [Wayne]:** I so move.

[The motion was severally seconded.]

**THE SPEAKER:** May we have a rising vote?

[The audience arose in respect to the memory of L. Fernald Foster, M.D.]

At this point, Dr. W. C. Beets of Kent gave the invocation.

### III. SPEAKER'S REMARKS

By K. H. Johnson, M.D., Lansing

This afternoon in East Lansing we properly laid the cornerstone for our new building. It was a very brief but very impressive ceremony, and I believe each of you has one of these little folders commemorating the event.

I would like to take this opportunity to welcome the medical students from Michigan and Wayne.

Last year I made a speech. I got it out and read it the other day, and felt it was a pretty good speech. But I don't think anybody paid any attention to it last year, so I am simply going to say this year that if you want to hear a good speech, I can find a copy for you in the minutes of the proceedings of the House of Delegates of last year.

So, all I am going to say this year is that I am sure I speak for Dr. Lightbody, the Vice Speaker, and myself when I tell you that we shall do our very best to conduct the sessions of this House of Delegates in as fair and proper a manner as it is in our power to do.

I can only trust and hope that each of you in your own particular way will be proud of the actions that you have taken when it is time for this meeting to dissolve. I am equally certain that all of us sincerely hope and trust that when we have finished we may be proud of what we have to present to the public whom we serve.

The Speaker's remarks were referred to the Reference Committee on Officers Reports.

### IV. PRESIDENT'S REMARKS

By G. B. Saltonstall, M.D., Charlevoix

One of the duties of a President of the Michigan State Medical Society is to address the House of Delegates at its first session.

In carrying out that duty, I find myself somewhat at a loss as to what I should emphasize. The reason for this is that there are so many facts, philosophies and concepts which could well be covered, or at least mentioned, that only by the most ruthless selection could I settle upon the comments which I felt needed most to be made.

First, I want to comment on Blue Shield's M-75 program and all of its ramifications. This subject, I am sure, will occupy a goodly portion of the time of this House, and that is as it should be. However, I hope that at no time will any member of this body feel it his privilege to cast aspersions on any member of the Michigan State Medical Society by questioning either that member's motives or character.

By virtue of his membership in MSMS, I think we must recognize that every member is a doctor of medicine and therefore is qualified scientifically and morally to be considered above any motives other than a desire to improve the service of medicine to the public and assist in the general advancement of the profession. I am sure these motives have been governing factors in the thinking of The Council, and I am equally confident that the same is true of all members of our Society.

The second subject I would like to mention might be labeled "Integration." In this regard I am not referring to racial integration nor segregation, but rather to work integration.

Many, many years ago the Michigan State Medical Society adopted the policy of integrating together its programs so that in the administration of the Society's work, full advantage could be taken by any one committee of the work and progress of every other committee.

Consequently, today the Legislative Committee takes full advantage of the scientific progress of, for example, the Committee on Prevention of Highway Accidents, or vice versa. The same is true of the Committee on Preventive Medicine or the MCI committee taking full advantage of the program of the Public Relations Committee.

The reason I mention this is because I feel this body should consider all items before it in the light of the effect any alterations or changes it recommends will have on the whole program, rather than upon any segment, because under our integrated program all segments are dependent in one way or another on every other segment. This is true both in the programming of the Society as well as in the budgeting of its funds.

Third, I would like to emphasize that the Michigan State Medical Society is a corporation—a statewide corporation. You, as members of the House of Delegates, govern the policy of that corporation. The Michigan State Medical Society is not a mere committee that federates or co-ordinates the work of county or district medical societies. It is an entity unto itself, and the county and district societies are constituent and component members of it. This will reflect itself in our policymaking.

## DIGEST OF PROCEEDINGS, HOUSE OF DELEGATES, 1959

As an artificial person, the Michigan State Medical Society has the same characteristics as a human, in that sickness or trouble in one area of the body can have strong effects on other areas. Thus, our strength as a profession in this State is based upon the whole profession, not upon any single society or single specialty or single group. To permit any action which would divide or weaken our State Society at this time is to invite the enemies of our profession to make progress at our expense.

We have had a most successful year. Our Society is in sound financial shape. Our new headquarters are growing each day. Our legislative program again scored 100 per cent. Our public relations program has received both state and national recognition for excellence.

Our scientific activities have worked to the advancement of medicine, as in the past. Our relationship with the medical schools has been particularly pleasant and profitable.

Our ancillary groups, such as the Woman's Auxiliary, the Medical Assistants, the Michigan Health Council, the Michigan Rural Health Conference, and the Michigan Association of the Professions have had unusually fine years. Their services to the Michigan State Medical Society have been most valuable.

We have had sufficient interest in the State Society activities that an unusually large number of members have participated in its programs, and are watching with interest the deliberations you will make here in this 1959 session. I wish you all success and all wisdom.

I assure you it has been a pleasure and an opportunity to serve as your President. It has made me proud to work with a group of men as dedicated as The Council members, the committee chairmen and members, and our staff.

I thank you for this favor. I have tried to deserve it. (Applause)

THE SPEAKER: The President's Address will be referred to the Reference Committee on Officers Reports.

### V. PRESIDENT-ELECT'S REMARKS

By M. A. Darling, M.D., Detroit

This year, for your President-elect, has been a series of revolutions. Becoming more familiar with state medical problems, more aware of the loyal assistance of an invaluable group in the Lansing and Detroit offices, conferring with dedicated Council members for whom time has no limitations, have assured me that, as an officer with many responsibilities, I need have no fear.

To my predecessor, Dr. Saltonstall, I am deeply indebted for his unfailing consideration. That I shall carry out the mandates of my office is my most earnest desire.

This will be a year that sees the realization of our hopes for an adequate Society headquarters at East Lansing. Foresight and months of planning materialized today in the laying of the cornerstone. Those who could attend were enthusiastic in their approval of its architectural and utilitarian design, which will answer our long-felt needs.

The Public Relations Counsel and executive staff are working constantly to develop and maintain cordial professional relations. Minutes of Council transactions necessarily are abstracted, however, and thereby may create misinterpretations.

Two procedural changes, recently enacted, should alleviate some of these criticisms. To the best of my knowledge, there are no secrets. Any member of this Society is not only privileged but is urged to make inquiry about any matter of which he is in doubt.

There continues to exist an urgent need for reviewing all Michigan State Medical Society activities, which in essence means our committee projects since the Michigan State Medical Society is a "committee organization." In order to keep our Society a leader among state medical

societies, constant research for improved service to the public and our members is necessary.

The educational and scientific work of this Society is performed by committees. The countless manhours of labor devoted to its affairs, together with sacrifice of time from home and business, beggar description. Perusal of the attendance records marks them as dedicated men and women to whom the Society owes unfailing gratitude.

Early in the year a letter was sent to officers, committee chairmen and county society secretaries, requesting pertinent information and recommendations from local sources. The response was most disappointing; yet I feel this method should produce the best results. I strongly urge every delegate to make it his personal duty to follow through with his society officers in supplying this information.

Recognition also must be given to the invaluable service rendered our Society by the Woman's Auxiliary. As liaison between us and the public in communities throughout the State, they have proven their worth time and time again. Their contributions through T.B. speaking contests, nursing scholarships, AMEF assistance—even the proposed furnishing of a room in our new headquarters—are symbolic of their efforts to further our interests. We can take great pride in their long list of achievements.

Less than two decades have elapsed since the House of Delegates gave birth to Michigan Medical Service. During the interim, it has grown from an apnoeic infant to a gargantuan giant, including approximately one-half the population of this State. During these years, Michigan Medical Service has paid to the doctors of medicine in this State more than 275 million dollars for medical and surgical services rendered to its subscribers. Probably no other single act of this Society has met with such universal approval by our citizens.

However, during infancy and adolescence of Michigan Medical Service, greater emphasis was placed on expansion and sales promotion and, unfortunately, less emphasis on structural alterations necessary to meet changing medico-economic conditions. During that time, we have fought two wars: our national debt has risen from some 40 billion dollars to 285 billion dollars, and simultaneously a corresponding devaluation of the dollar in its purchasing value of goods and services has occurred.

Since the depression era of the thirties an entirely new concept—a laissez-faire attitude, which envisions personal security—has become general. The philosophy of "rugged individualism," under which most of us were raised, implied one's personal responsibility for himself and his dependents, but now is supported by a rapidly diminishing minority.

In 1956, lightning struck! The Council appointed a special committee (Slagle) and the House of Delegates also appointed a special committee (Owen). Each committee was instructed to make special studies and to report to the 1957 House of Delegates. The work of these two committees necessitated a special meeting of the House of Delegates in 1957. Feeling that additional information still was needed, an opinion survey of the public and the profession was authorized. All of these reports were submitted to the 1957 session of the House of Delegates.

After much discussion, the concepts as well as the basic structure of the original Michigan Blue Shield were altered. What we now know as M-75 was developed in principle, to be sold to the public. As yet, conversion is not complete but substantial progress has been made.

From March 1, 1940, and ending December 31, 1958, Michigan Medical Service paid to:

Physicians of Michigan	\$279,000,476.35	(87.53%)
Out-of-State Doctors	7,348,627.27	( 2.31%)
Osteopaths	32,400,027.63	(10.16%)
Total	\$318,749,131.25	

## DIGEST OF PROCEEDINGS, HOUSE OF DELEGATES, 1959

Of this sum only eleven counties, percentage-wise, received more than 1 per cent:

Wayne	41.58%
Genesee	6.47%
Oakland	5.68%
Kent	3.91%
Washtenaw	3.67%
Ingham	3.34%
Saginaw	3.04%
Macomb	1.58%
Bay	1.50%
Kalamazoo	1.18%
St. Clair	1.13%

The remaining counties ranged from under 1 per cent to a minute fraction of 1 per cent. It is obvious that major utilization is restricted to highly industrialized areas. And, paradoxically, it is in these same areas that the physicians, who perform must serve these contracts, are most critical.

These remarks are not to be construed as disparaging to the remaining seventy-two counties. It is obvious that a fraction of 1 per cent of 279 million dollars might have a considerable economic impact on less densely populated areas.

1959—Then came the deluge!

The preponderance of evidence strongly indicates that, for the foreseeable future, prepaid medical care insurance is demanded by the public. Some will argue that the only alternative is compulsory health insurance.

This, briefly, summarizes the situation confronting the Michigan State Medical Society today. May I quote from John Locke, who in 1687 made this pertinent observation: "The degree of assent we give to any proposition should depend upon the grounds of probability in its favor."

The solution, gentlemen, is yours. (*Applause*)

**THE SPEAKER:** The remarks of the President-elect will be referred to the Reference Committee on Officers' Reports.

As you know, with the death of Dr. Foster, Dr. Wiley was elected for the unexpired term as Secretary of the State Society. Dr. A. E. Schiller was made Chairman of The Council to succeed Dr. Wiley. Dr. Schiller will report to you the annual and supplemental reports of The Council.

## VI. REPORTS OF THE COUNCIL

By A. E. Schiller, M.D., Detroit

This morning at nine o'clock a television show introducing this meeting was presented over WJBK-TV, Channel 2, which featured the Chairman of The Council and Dr. Lightbody, the Vice Speaker. We hope it found favor in the eyes of the public and gave them a little information about this tremendous meeting.

The annual report of The Council is printed in the Handbook of Delegates beginning on page 48. You have all been supplied with the Handbook. Any of the information therein which you would like amplified will be amplified by the Chairman of The Council and the committees of The Council for your edification and, we hope, to your satisfaction. To save your time we will not report on it.

The Council wishes to present the following Supplemental Report, as of September 27, 1959:

1. *Membership.*—On September 1, 1959, the membership of the Michigan State Medical Society totaled 6,638 as compared with the total of 6,381 at the same time last year.

2. *Finances.*—

### FINANCIAL REPORT FOR PERIOD ENDING AUGUST 31, 1959

Account	On hand 12/1/58	Income to 9/1/59	Expenses to 9/1/59	Balance on Hand 9/1/59
General Fund	\$175,021.34	\$158,894.55	\$130,362.62	\$203,553.27
Annual Session	—	32,155.00	8,449.78	23,705.22
Michigan Clinical Institute	—	13,585.00	16,213.63	2,628.63 Cr.

JANUARY, 1960

THE JOURNAL	112,023.66	97,502.30	14,521.36
Public Education	17,677.72	53,364.57	40,823.91
Public Service	5,409.09 Cr.	25,883.99	22,670.07
Professional Relations	2,463.45 Cr.	35,961.49	33,532.14
Public Education Reserve	91,165.25	8,628.01	—
Rheumatic Fever Control	1,879.18	6,825.00	4,310.55
Surplus from Dues	33,614.34	—	33,614.34
Building Fund	22,195.41	—	3,582.75
MSMS Head- quarters Fund	85,373.04	57,826.48	76,121.54
<b>TOTALS</b>	<b>\$439,053.74</b>	<b>\$305,147.75</b>	<b>\$433,569.29</b>
			<b>\$310,632.20</b>

3. *Michigan Medical Service.*—An up-to-date report on this Corporation, including the finances, will be presented to you at the meeting of Michigan Medical Service membership on Tuesday, September 29, 1959 at 2 p.m. in the Ballroom of the Pantlind Hotel, Grand Rapids. All MSMS delegates are members of Michigan Medical Service Corporation and are expected and are urged to attend this important annual meeting—which will be preceded at 12:30 p.m. by a reception and luncheon with the compliments of Michigan Medical Service.

4. *Michigan's Foremost Family Physician of 1959.*—Selection of one of our Michigan general practitioners as nominee for the AMA Gold Medal Award is the privilege of the MSMS House of Delegates. According to established procedure, the field of nominees has been narrowed by The Council to three, from which the House of Delegates elects one. The three nominees are:

- (a) Archer A. Clayton, M.D., Saginaw
- (b) Simon Levin, M.D., Houghton
- (c) Siegfried W. Thieme, M.D., Ravenna

5. *MSMS Group Insurance Programs.*—(a) Group Health and Accident Plan. The report to September 1, 1959, supplied by the carrier (Provident Life and Accident Insurance of Chattanooga, Tennessee) is as follows:

While payments for loss of time continues to increase, so does participation.

For the reason above, plus the fact that no accidental death benefits were payable in the past year as opposed to five in the previous two years, underwriting results were the most favorable since the inception of the Plan.

In view of these favorable results, Provident will add a 10 per cent bonus to all loss of time payments made during the policy year beginning November 15, 1959.

Due to increasing interest in the plan and resultant increase in participation, it is to be hoped that a similar bonus can be continued in the future.

(b) Group Life Plan. The supplemental report to September 1, 1959, supplied by the carrier (Mutual Benefit Life Insurance Company of New Jersey) indicates that the total of subscribers is 1,150 and that four death claims amounting to \$26,000 have been paid. The fifth invitation to all members to take advantage of this opportunity was mailed September 21, 1959.

6. *New Home of the Michigan State Medical Society.*—The cornerstone of the new building was laid with appropriate ceremonies in East Lansing this afternoon (Sunday, September 27, 1959). The present progress of the building indicates that it may be in use as early as May, 1960. The Council recommends that the formal dedication be scheduled with appropriate ceremonies on September 25, 1960, the Sunday preceding next year's annual session of the Michigan State Medical Society.

The detailed story of our beautiful modern structure is being told, in monthly installments, in our JOURNAL. However, the Chairman of the Big Look Committee, W. S. Jones, M.D., has some important matters to report to you, and I respectfully request, Mr. Speaker and members of the House of Delegates, that you grant Dr. Jones five minutes to present you with an up-to-date summary. He is ready to give his information immedi-

## DIGEST OF PROCEEDINGS, HOUSE OF DELEGATES, 1959

ately following the reading of this Supplemental Annual Report of The Council.

**7. IBM History (Biographical) Cards of MSMS Membership.**—It is a pleasure to report that as of September 1, 1959, 3,257 of these history cards have been returned by MSMS members. The Council is grateful for this splendid co-operation, and recommends that members of the House of Delegates use their influence so that a 100 per cent return of these valuable data will be achieved by the end of 1959. Another appeal will be sent to all MSMS members before the end of the year. Personal contacts by delegates in their own localities will be most productive.

**8. Councilor Changes.**—(a) D. Bruce Wiley, M.D., Councilor of the Fifteenth District, resigned to assume his duties as Secretary of the Michigan State Medical Society. The Council placed on its minutes a vote of high thanks to Dr. Wiley for his long-time activity on behalf of the Society. Dr. Wiley has served on The Council since October, 1950.

(b) Ralph W. Shook, M.D., Councilor of the Fourth District, died suddenly on August 9, 1959. He had been a member of The Council since October, 1951, and brilliantly served three years as Chairman of the Finance Committee. He devoted much time to the Michigan State Medical Society; his counsel and his friendship will be seriously missed.

**9. M.D. Relations with Osteopaths.**—The House of Delegates of the American Medical Association, at its June, 1959 session, approved the following mild liberalization of rulings relative to teaching of and consulting with osteopaths:

1. "It shall not be considered contrary to the Principles of Medical Ethics for doctors of medicine to teach students in an osteopathic college which is in the process of being converted into an approved medical school under the supervision of the AMA Council on Medical Education and Hospitals.

2. "All voluntary professional associations by the doctors of medicine and those who practice a system of healing not based on scientific principles are unethical.

3. "The House of Delegates recommended enactment of Medical Practice Acts requiring all who practice as physicians and surgeons to meet the same qualifications, take the same examinations and graduate from schools approved by the same agency.

4. "A liaison committee was recommended, to be appointed by the Board of Trustees of the AMA, to meet with representatives of the American Osteopathic Association, if mutually agreeable, to consider problems of common concern including interprofessional relationships on a national level."

Based on the recent AMA decision, The Council of the Michigan State Medical Society disapproved the inclusion of other than doctors of medicine in Michigan's extramural postgraduate teaching program of which the Michigan State Medical Society is one of the sponsors.

**10. Deadline for Payment of MSMS Dues.**—Last July the Wayne County Medical Society requested The Council to consider this deadline question, particularly acute in Wayne County where some members pay their dues in instalments. The MSMS Bylaws (Chapter 16, Section 2) state: "Any member in arrears after April 1 of each official year shall stand suspended until his name is properly recorded," *et cetera*. (The deadline date for payment of AMA dues is June 30.) The disadvantages of a new system allowing partial payment of MSMS dues are:

(a) Any such change in the Bylaws must be applicable to all fifty-five components, and as of June 30 each year, the number of unpaid members could easily be 300 to 500 rather than the current number of approximately 100. The reduction in receipts on June 30, could be as

high as \$30,000. Under the present IBM system, each year as of June 30, more members have paid their dues than previously, such as:

No IBM	1954 — 4,684	With IBM	1957 — 5,291
	1955 — 4,976		1958 — 5,435
	1956 — 5,231		1959 — 5,605

(b) Handling of partial payments for what might be large numbers of members would probably necessitate the hiring of additional office personnel and a change in the record system involving added expense to the dues collection costs of MSMS.

(c) Currently, the State Society, due to the accelerated income during the early months of the year, invests the funds not currently needed in short-term notes or time certificates, and earns approximately \$1,000 per year in interest, which under a partial payment system would be lost.

(d) The American Medical Association invites attention to the fact that membership in the county and state medical society is a requirement for membership in the AMA. With unpaid state society dues, a physician cannot be a member of the AMA and would be dropped by the AMA on June 30.

Frankly, for years The Council has been lenient in its interpretation of delinquency, and no one has been suspended if his dues are paid as of June 30. Our recommendation is that the Bylaws be changed in Chapter 16, Section 2 to agree with the AMA time limit of June 30.

A recommendation on this subject follows.

### 11. Additional Annual Reports of Committees of The Council

**Report No. 29—Committee on Awards.**—During the past year the Committee on Awards has carefully reviewed possibilities for public recognition by the Michigan State Medical Society of outstanding work done in behalf of the health of the people of Michigan and the medical profession. As a result, during the past year we have recommended the citations noted below. The recommendations were formally approved by The Council and the awards were publicly presented.

At the Michigan Clinical Institute:

1. Seven MSMS members serving as presidents of national medical organizations: J. Edward Berk, M.D., Detroit, President, American Gastroscopic Society. C. Leslie Mitchell, M.D., Detroit, President, American Orthopedic Association. Herman K. B. Pinkus, M.D., Monroe, President, Society for Investigative Dermatology. John W. Rebuck, M.D., Detroit, President, International Reticulo-Endothelial Society. Lawrence Reynolds, M.D., Detroit, American College of Radiology. W. H. Steffen, M.D., Grand Rapids, President, American Society of Plastic and Reconstructive Surgery. John M. Wellman, M.D., Lansing President, Frederick A. Coller Surgical Society.

2. Distinguished Health Service Awards were presented to two Michigan Legislators: Senator Frank Andrews, Hillman, and Representative Willard I. Bowerman, Jr., Lansing; also to Mr. Jay C. Ketchum, Detroit, former Executive Vice-President and General Manager of Michigan Medical Service. To two newspapers: *The Adrian Daily Telegram* and *The Kalamazoo Gazette*. To television Station WJBK-TV. To five radio stations: WABJ, Adrian; WCBY, Cheboygan; WHLS, Port Huron; WKAR, East Lansing, and WMTE, Manistee.

Although not within the scope of this Committee's responsibility, the Committee nonetheless recognized with pleasure the election of Fred J. Drotlett, M.D., Lansing, as Michigan's Foremost Family Physician of 1958. The Committee was also pleased to note that seventeen MSMS members, representing 850 years of medical service, were presented with the Fifty-Year Award this year, and the Biddle Lecturer was Henry L. Bockus, M.D., Philadelphia, Pennsylvania.

## DIGEST OF PROCEEDINGS, HOUSE OF DELEGATES, 1959

**Report No. 30—Committee on National Defense.**—During the past year the Committee on National Defense has held two meetings. At each of these meetings representatives of the Michigan Office of Civil Defense, the Michigan Department of Health, Michigan State Dental Society, Michigan State Nurses Association, Michigan Hospital Association, Michigan Veterinary Association and the Office of Civil and Defense Mobilization have been present to aid in the co-ordination of plans for the defense and care of the people of Michigan.

A Disaster Plan for Pregnant Women was developed and will be distributed to all members of the Michigan State Medical Society during the coming year. A series of articles has been prepared for the October, 1959 issue of the State Medical JOURNAL. The medical portion of the Michigan Survival Plan has been rewritten and updated through the co-operation of the members of the Committee and Dr. Douglas Fryer of the Michigan Department of Health.

Progress is being made in the development of training plans for the Civil Defense emergency hospitals, fifty-seven of which are pre-positioned throughout the State in nontarget areas.

At the June, 1959 meeting, representatives of the Tenth Air Force from Selfridge Field were present, as well as representatives of the Ninth Naval District. These guests briefed the Committee on plans of the military in this area with regard to care of their civilians in case of any emergency. It is the feeling of the Committee that this liaison will be of great assistance in future planning for national defense in Michigan.

The Committee feels that for further expansion and activation of local national defense units a co-ordinator for the program should be secured, attached to the Michigan Office of Civil Defense or the Michigan Department of Health. It is recommended that the MSMS urge the appropriating authority in the State government be urged to make funds available for this important purpose.

The Committee has continued to maintain awareness of the constant changes in the planning for national defense. Planning for biological and chemical warfare needs to be considered.

Appreciation and thanks are extended to Mr. Ralph Sheehan, Director of the Michigan Office of Civil Defense, and his staff for their attendance at each meeting and their sincere efforts and valuable assistance to the Committee.

**Report No. 31—MSMS Representatives to Michigan Cancer Co-ordinating Committee.**—The Michigan Cancer Co-ordinating Committee met three times during the past year, with its next meeting scheduled for September 24, 1959. In addition, its Subcommittee on Cancer Registries met twice.

The most significant action of the Michigan Cancer Co-ordinating Committee was the formulation of a special plan for a Central Cancer Registry in Michigan. The function of a Central Cancer Registry is defined as: "A basic tool for studying the magnitude and nature of the cancer problem and for measuring the effectiveness of control measures, and to integrate and foster the development of hospital registries."

The recommendations of the Michigan Cancer Co-ordinating Committee to establish this pioneering State-wide Central Cancer Registry, made on May 21, 1959, were:

"1. That the Michigan Cancer Co-ordinating Committee serve in an advisory capacity to such a Registry.

"2. That the function of the present Michigan Tumor Registry be enlarged to include a Central Cancer Registry.

"3. That the name of the Michigan Tumor Registry then be changed to 'Michigan Cancer Registry.'

"4. That the Administrative Committee of the Michigan Tumor Registry be enlarged to not more than fifteen members and be made more representative.

"5. That the enlarged Administrative Committee be made the operating committee of the Michigan Cancer Registry.

"6. That the Michigan Cancer Co-ordinating Committee respectfully requests the American Cancer Society to make available the services of Dr. B. Aubrey Schneider and his staff in the development of a plan for the establishment and operation of such a Registry."

The second major activity of the MCCC during the past year was its anticancer quackery work, under the chairmanship of B. E. Luck, D.D.S. This included the showing of a new scientific exhibit on this subject to numerous professional and lay groups, and the development of a popular leaflet, "Beware of the Cancer Quack," which already has been printed to the total of 150,000 copies.

As part of its three-pronged attack on cancer (through education, service, research), the MCCC sponsored an active program of educational promotion, especially to doctors of medicine, during the past year. Chief promotions in this column were:

1. A Cancer Number of THE JOURNAL of the Michigan State Medical Society (April 1959), with the cover featuring the fighting phrase, "Every Physical Examination A Cancer Detection Procedure." A "Cancer Comment" page appeared bimonthly in THE JOURNAL. In addition, a cartoon series called "C. A. Conshus, M.D." has been borrowed from the *Pennsylvania State Medical Journal* and is being reprinted in JMSMS for twelve issues.

2. A second scientific exhibit on "Management of Patient with Positive Smear" is a feature of the MSMS Annual Session in Grand Rapids, 1959.

3. The Michigan Cancer Co-ordinating Committee Lecture is presented annually at the Michigan Clinical Institute. The 1959 Lecture was presented by Wendell G. Scott, M.D., of St. Louis, on "Recent Developments in the External Irradiation of Malignant Disease."

4. The Cancer Luncheon, held during the Michigan Clinical Institute, continues to be a source of good professional education and public relations.

5. The MCCC feels an excellent approach to the doctor of medicine is through hospital staff meetings with the "detail man" type of contact, that is, to go to the hospital staff meetings and set up a cancer exhibit. The MCCC suggests that a pilot experiment along this line of professional education be made by the American Cancer Society in Michigan.

6. The Cancer Manual (for high school teachers) and the leaflet, "Strength Through Unity Against Cancer," which explains the functions and purposes of MCCC, were broadly distributed in Michigan and elsewhere during the past year. The latter booklet is being enlarged to present more in detail the work of the six organizations representative on the MCCC.

7. The MCCC sponsored the following seven speakers at the District Trading Schools of the Michigan Division, American Cancer Society, during the past year: William B. Kirtland, M.D., Detroit; Joseph A. Preston, M.D., Jackson; Harold L. Fachnie, M.D., Detroit; H. B. Latourette, M.D., Ann Arbor; Dale L. Kessler, M.D., Grand Rapids; Walter A. Stryker, M.D., Wyandotte, and Arthur H. Joistad, M.D., Muskegon.

Your representatives to this Committee feel that in less than six years the one central organization (MCCC) formed to control cancer in this State has drawn important efforts together in a unified onslaught against this disease. With this unified pool of knowledge, state-wide cancer matters are handled more aggressively and effectively. There is little lost motion and duplication of effort. The talent, money, service and facilities of every organization are being used to best advantage.

The work assignable to the MSMS Cancer Control Committee is being well handled by the MCCC. The Michigan Cancer Co-ordinating Committee, with H. M. Nelson, M.D., Detroit, as Chairman, is composed of the American Cancer Society in Michigan, the Michigan

## DIGEST OF PROCEEDINGS, HOUSE OF DELEGATES, 1959

Department of Health, the Michigan Health Officers Association, the Michigan State Dental Association, and the Michigan State Medical Society.

*Report No. 32—Committee on Alcoholism.*—The 1958 House of Delegates instructed The Council to establish this Committee to study the problem of alcoholism, and added "that this Committee's findings be reported by The Council to the next Annual Session of the House of Delegates."

The Committee on Alcoholism recommends that it be authorized to proceed with the following program:

### I. Program of Education

1. Education of Medical Students by stimulation of increased teaching in medical school curricula.
2. Education of doctors of medicine in practice by:
  - (a) Articles and material in MSMS Journal.
  - (b) Scientific exhibits.
  - (c) Pamphlets for distribution at medical conventions.
  - (d) Talks on the MSMS extramural program.
  - (e) Talks at the Michigan Clinical Institute and at the MSMS Annual Session.
  - (f) Recommend talks and use of films on alcoholism at county medical society meetings and at hospital staff meetings.
  - (g) Co-operate with the industrial physicians (through the Industrial Medical Association) in problems of alcoholism in industry.
3. As a long-range program, help inform the public by:
  - (a) Giving advice to the Michigan State Board of Alcoholism (as it is requested).
  - (b) Development and use of a speakers' bureau to stimulate and present talks to service clubs and similar organizations.

II. Promotion of facilities for treatment of alcoholics

1. In- and outpatient care program (similar to the Genesee project).
2. Investigate and promote admission of alcoholics to general hospitals.
3. Promote creation of committees on alcoholism by county medical societies, where feasible.
4. Work toward increased facilities for treatment of alcoholics in State hospitals.

III. Promote and stimulate research on all aspects of the alcoholism problem.

Further, the Committee on Alcoholism respectfully recommends that, in view of the gravity of the problem, permanent status be granted to this Committee to continue its studies and findings.

12. *Informing our Members.*—Before coming to its "Recommendations," The Council wishes to itemize some of the means and media it uses to bring information to the Society's fifty-five components and to all members. Factual information on what The Council does is disseminated liberally and consistently through:

1. Annual Report (and Supplemental Annual Report) of The Council, published in *THE JOURNAL* of the MSMS. Also periodic Secretary's Letters and Legislative Bulletins.

2. Feature articles and the monthly "Highlights," which chronicle specific actions of The Council and its Executive Committee, published in *THE JOURNAL*. Incidentally, these "Highlights," written immediately after each meeting, are available to county society secretaries upon request.

3. Councilor Conferences, held in all the districts during July, August and September. Annually the local Councilor presents detailed information on many important activities coming before The Council, such as (a) Annual Report of The Council; (b) Quarterly Reports to Delegates; (c) Current Legislation (such as annual M.D. registration law, and the new 30-day billing clause in the Michigan Crippled-Afflicted Children laws,

etc.); (d) MSMS group insurance programs; (e) Activities of the new Michigan Association of the Professions.

4. County Secretaries-Public Relations Seminar. This is a two-day informational course attended by over 200 leaders of our State and county medical societies. Anyone who has been present at this annual conference knows that no information important to the profession is withheld. The Editor's Workshop also is scheduled coincident with the County Secretaries' Seminar, with more factual data supplied to our disseminators of the written medical word.

5. A special one-day informational panel is arranged by The Council for our County Society Executive Secretaries. This is productive of much two-way understanding.

6. Finally, the annual meeting for new committee chairmen is a method The Council has used for years to disseminate specific information on what the Society is doing, and, with the help of its committees, hopes to do for the benefit of all MSMS members and the people they serve.

In addition to the above program, which is being constantly improved and augmented, The Council, week in and week out, supplies added and detailed information (including legal opinions) to county societies and individual members. This service always has been and will continue to be given, rapidly and completely, in accordance with legislative limitations and high ethical standards.

13. *Recommendations.*—We respectfully invite your attention to the four recommendations in the original Annual Report of The Council, printed in the Handbook on page 83. They read as follows:

1. That The Council be authorized to send MSMS representatives to Washington, D. C., in 1960, on the occasion of the Annual Michigan Day, as recommended for many years by the House of Delegates.

2. That The Council be authorized to arrange Councilor Conferences, prior to the Annual Session, to continue communication with and impart information to the membership, as during the past two years.

3. That an evaluating team visit those county medical societies that request same. This team would review county medical society activity as compared with good organizational practice and make recommendations for improved organization, administration and services, with the end in mind of increasing the strength of county medical societies and improving their public relations potential. This survey would be made only on request by the county medical society. The evaluating team would consist of state and county officers plus state staff members and such other outside experts or advisers as the evaluating team deems necessary. Upon completion of the evaluation, concrete recommendations would be offered.

4. That during the months of October and November 1959, a team of MSMS speakers arrange an itinerary whereby it may efficiently cover a major portion of the Lower Peninsula. Said team would report on the actions of the House of Delegates, the plans for the future of MSMS, and would attempt to stimulate organizational and public relations awareness on the part of county medical societies and individual M.D.'s. The Upper Peninsula would receive the same service in the spring of 1960.

The Council respectfully submits the following additional recommendation:

5. That the House of Delegates give favorable consideration to changing the Bylaws in Chapter 16, Section 2 to read: "Any member in arrears after June 30 of each official year shall stand suspended," et cetera.

Respectfully submitted by The Council:

A. E. SCHILLER, M.D., *Chairman*  
O. B. McGILLCUDDY, M.D.  
H. J. MEIER, M.D.  
C. ALLEN PAYNE, M.D.

SEC. 2, JMSMS

## DIGEST OF PROCEEDINGS, HOUSE OF DELEGATES, 1959

H. H. HISCOCK, M.D.  
C. N. HOYT, M.D.  
E. S. OLDHAM, M.D.  
D. G. PIKE, M.D.  
O. J. JOHNSON, M.D.  
W. M. LEFEVRE, M.D.  
B. T. MONTGOMERY, M.D.  
T. P. WICKLIFFE, M.D.  
B. M. HARRIS, M.D.  
G. THOMAS MCKEAN, M.D.  
W. W. BABCOCK, M.D.  
WILLIAM BROMME, M.D.  
K. H. JOHNSON, M.D., *Speaker*  
J. J. LIGHTBODY, M.D., *Vice Speaker*  
G. B. SALTONSTALL, M.D., *President*  
MILTON A. DARLING, M.D., *President-elect*  
D. BRUCE WILEY, M.D., *Secretary*  
W. A. HYLAND, M.D., *Treasurer*  
G. W. SLAGLE, M.D., *Immediate Past President*

### The Council's Fourth Quarterly Report to Delegates

To: Every Delegate to the Michigan State Medical Society  
From: The Council of MSMS, A. E. Schiller, M.D., Chairman

September 27, 1959

The 1958 House of Delegates instructed that quarterly reports be sent to House members informing them on the progress made in the continuing development of the Seal of Assurance Plan. This is the fourth report.

1. *Participation in the MSMS Seal of Assurance Plan.*—Since the June 30 quarterly report there has been a net gain of 169 signed Enrollment Authorizations received in the MSMS headquarters, bringing the total number of participating physicians to 4,588.

2. *Michigan Relative Value Study.*—The Relative Value Study Committee has submitted to The Council its recommendations regarding the methodology of the study to be conducted among all members of MSMS. At its September 27 meeting, The Council acted upon these recommendations and the study will proceed as soon as possible.

3. *Revised Uniform Fee Schedule for Governmental Welfare Agencies.*—As reported in the last quarterly report, the new schedule is an augmented version of the M-75 Plan A (\$2,500) schedule. It will be used until the Relative Value Schedule is completed. Distribution to all M.D.'s will begin in early October when delivery of the pamphlets from the printer is scheduled.

4. *Development of New Contract Offerings.*—Following months of work and study, four new contracts have been approved for offering to the public. The new contracts are variations of the M-75 contract tailored for specific groups:

- 1—Senior Contributory Benefit Certificate (persons over sixty-five years of age; M-75-6).
- 2—Employment Group Deductible Benefit Certificate (M-75-3).
- 3—Group Conversion Deductible Benefit Certificate (M-75-4).
- 4—Non-Group Community Enrollment Contributory Benefit Certificate (M-75-5, persons under sixty-five).

The contracts follow the principles of medical care coverage previously approved by the House of Delegates. Copies of the contracts have been sent to all doctors of medicine.

5. *Councilor District Medical Care Insurance Committees.*—Several CDMCIC groups have met during the past quarter to consider medical care insurance matters. CDMCIC machinery for the handling of complaints and suggestions from patients, doctors and others is being perfected. The MSMS Council and its County Societies Committee have approved a set of ground rules to provide for referral of all appropriate matters (such as ethics and mediation) to county societies. This will avoid

duplication and overlapping of effort. Several CDMCIC chairmen have indicated that they will hold fall meetings after the House of Delegates session.

A. E. SCHILLER, M.D. (*continuing*): I also would refer you to a little pamphlet dated September 21. This is an explanation of the documentary reports of the activities of the House of Delegates and The Council, the Executive Committee and the Commission on Medical Service, the Committee to Study Comprehensive Insurance Plans, the Care Insurance Committee, the House Advisory Committee on Fees, Relative Value Committee, and Committee to Decide Feasibility of Greater Participation in Blue Shield. I recommend the reading of this.

We also have prepared for your perusal and background information a report on the voluntary prepayment program for persons over age sixty-five with low family income. (*Applause*)

THE SPEAKER: The annual and supplemental reports of The Council will be referred to the Reference Committee on Reports of The Council.

### Supplemental Report of Committee on Big Look

W. S. JONES, M.D. [Menominee]: Just twenty-four years ago, when the Michigan State Medical Society moved its headquarters to Lansing, we ended that year (1935) with a membership of 3,543. The Society had two very small rooms in the Olds Tower, Lansing, just room enough for the Executive Director, a bookkeeper and a stenographer.

The Society grew gradually until after World War II, when the membership spurted. Our present high is close to 6,700 members, including all classifications. More help was needed, and the problem was to house them. So, in 1951, the Society purchased and moved into an old home at 606 Townsend, Lansing. There, with close to 6,000 square feet on three floors and basement, it considered itself in adequate quarters for the next fifty years.

But the service instructed by the House of Delegates and The Council demanded more employees, and 606 soon was bursting at the seams. A Committee on Big Look was formed three years ago to consider the problem and to study ways and means of securing more space—even, if necessary, to erecting a new headquarters building.

You know the rest. Our report was presented to the 1957 House of Delegates, and we were authorized to find a site and build a modern MSMS headquarters. We found the most ideal location in the whole metropolitan Lansing area, located in East Lansing, next to Whitehills Estates—a restricted, high-class neighborhood.

With the approval of the House of Delegates we hired one of the best architects in the world, M. Yamasaki and Associates. Last year the House of Delegates saw M. Yamasaki's mock-up of his beautiful plans, and gave approval to go ahead with the erection of the new MSMS headquarters.

The building was to be financed by a \$50 addition to MSMS dues, \$10 payable in 1958, \$10 in 1959, \$15 in 1960, and \$15 in 1961. This, added to the \$28,000 which existed in the building fund as of January 1, 1958, totals approximately \$315,000. Sale of the 606 Townsend property should bring something like \$75,000.

The estimate of the cost of the new MSMS building, with figures developed with the help of the architect, is \$602,295.87, including \$535,000 to the three contractors, \$34,775 architect's fee, \$12,000 for landscaping and outside lighting, \$5,000 for sewer and water connections, \$16,700 for the contingency fund, and \$5,820.87 for insurance and performance bond.

The Treasurer was instructed by the Chairman of the Finance Committee to obtain a line of credit, which he secured at a surprisingly favorable rate of interest which will permit MSMS to borrow funds up to \$300,000 if necessary, to pay for the building by May, 1960, when

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it will be ready for occupancy. It will not be necessary for our Society to place a mortgage on the new building. Our statement of assets is sufficient.

The cost of furnishings will be kept to a minimum through utilization of all of the present working equipment. Your Committee on Big Look anticipates that some of the cost of the furnishings will be met by gifts. For example, the Woman's Auxiliary may furnish the "All-Purpose Room," to cost in the neighborhood of \$4,000. The Past Presidents will furnish the "Presidents' Room" at an estimated \$2,500. In addition, as a sign of members and friends of the Society who may be willing to contribute in their own name or as a memorial to relatives, we have received \$1,000 from our JOURNAL printer, Bruce Publishing Company of St. Paul, Minnesota, for furnishings. To recognize these generous donors, a special bronze plaque will be placed in the lobby of the new building to permanently record the names of special memorials and gifts.

When completed, our new building will be a very functional building, providing room for the officers, committees and employees of the Michigan State Medical Society—those who helped to make the Society a potent force in this State. But just as importantly, it will stand as a bright monumental symbol, constantly reminding the people of this State of the work of public service done for them by their own physicians.

The building will say to all who pass by, "This is your Doctor of Medicine—up-to-date, serviceable, a part of the community, a help to all who call upon him, a credit to himself, his profession, and to the whole State."

Mr. Speaker, I should like to present this just as a member of the Committee.

I would like the privilege of reading the names of those who have contributed so much to this work. Two of them have passed on—Dr. L. Fernald Foster and Dr. Ralph W. Shook. Beside them, Dr. W. A. Hyland, Dr. K. H. Johnson, Dr. O. B. McGillicuddy, Dr. G. B. Saltonstall, Dr. G. W. Slagle, and W. S. Jones, your Chairman. *(Applause)*

THE SPEAKER: Since the Big Look Committee is a Committee of The Council, this report will be considered along with the annual report of The Council by the Reference Committee on reports of The Council.

I would like to announce that all delegates of MSMS are present and seated. We have 100 per cent attendance. *(Applause)*

*(A short recess was taken.)*

THE SPEAKER: We shall now hear the report of the Delegates to the American Medical Association. W. A. Hyland, M.D., Grand Rapids, Chairman.

### VII. REPORT OF DELEGATES TO AMERICAN MEDICAL ASSOCIATION

By W. A. Hyland, M.D., Grand Rapids

(Dr. Hyland read his report beginning on page 80 of the Handbook for Delegates, and continued as follows)

Having completed the report of the American Medical Association sessions, I would like permission of the Speaker to spend a few moments with you discussing my feelings regarding what we can do as members of organized medicine through our membership in the Michigan State Medical Society and the American Medical Association, these thoughts being acquired by my several years' service on various committees and as a member of the House of Delegates of the American Medical Association.

Incidentally, I have been asked by the President and Executive Vice President of the American Medical Association to extend their greetings and best wishes to the Michigan State Medical Society for this annual session.

I also would like to report that Dr. Frederick Swartz, of Lansing, has performed exceptional service in appearing before congressional committees for the AMA.

The AMA is most appreciative of this excellent service. Due to organized medicine of today, never has so much been done for so many, so well.

So much is evidenced by the many advances that have been made in the scientific field of medicine and in the socio-economic aspects of medical care.

So many includes not only Americans but the people of the whole world who have benefited by the remarkable advancement in prevention, diagnosis, treatment and rehabilitation of recent years.

So well refers to the excellent training and actions of the physicians, nurses, technicians, and all others in medical allied fields. It is recognition of the modern facilities of the hospitals, research laboratories and teaching centers, coupled with the voluntary insurance groups, all of which makes for the extending of the greatest aid to the ill that the world has ever known.

To project this into the future, I am convinced this progress will be expanded into even greater service tomorrow, and on and on.

Yes, medicine of the future is in good hands. The organized approach of today over the sporadic attention of the past portends excellent medical care for the great expansion in population that this country and the world is beginning to experience.

The widening sphere of health, as civilization is being carried into remote areas, has a firm foundation on what organized medicine has done to correlate the research of the immediate past.

However, I would lack faith in myself if I failed to state that despite all this progress and the rosy outlook for scientific medicine in the future, we face difficulties that could jeopardize our present position.

Naturally, we are struggling for freedom for ourselves and our patients in order to practice this type of medicine, but there are those who for political reasons or the "do-gooders" complex, who endeavor to get into the picture either from a self-aggrandizement position or want of power, would advocate medical service becoming a government function, thereby being embroiled in a tax, political bandwagon, or some other sort of bureaucracy that would destroy the foundations of what we are today giving the public.

Other nations have experienced this foolish and futile step, mostly to their sorrow. One has only to visit such countries to realize the lack of incentive and restricted achievement, resulting in marked deterioration in service. Young people in these areas are choosing other fields, research has declined, and the personal relationship of physician and patient has practically disappeared. With God's help, let us not allow this to happen here!

No doubt the growing desire of some legislators to project themselves into the medical picture with their compulsory schemes is the result of our changing social philosophy.

As you well know, many citizens today demand as their right everything they can possibly get. They little care about their own individual responsibilities and duties.

Personal security is their aim, no matter how obtained. And where can it be easier than from their patronizing uncle, Uncle Sam? If the government will furnish all the security they want, then why not jump on the gravy train, leaving no worry for the future?

Personally, I believe this can be stopped—in fact, it must be stopped, and soon. If not, then we are on our way down, from which we will be unable to recover.

How may this be changed? You can do it—in fact, you have, by your continued action in an effort to halt state medicine. The public has begun to realize it, and I believe I can see signs that public opinion in the United States has been listening to our appeal; and there is evidence that the lawmakers in Washington have been consulting the American Medical Association and their family physicians in far greater numbers than heretofore.

In Munich a year ago, at the Bavarian-Swiss Surgical Conference, there was much talk that the Socialist Party

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in Germany with the development of West Germany, through the Marshall Plan since World War II, had begun to lean toward development through free enterprise.

It was interesting to read a communication from Bonn on September fifteenth of this year that the Socialist Party in West Germany had advocated in their Congress for the country to stimulate free enterprise—but, and here's an interesting face-saving gimmick, for the country to keep its eye on big business while stimulating it. It certainly is a turn-about for the second largest political group in Germany at present, after centuries of advocating state ownership.

Personally, I believe there are early signs that public opinion in our country has turned the corner—turned away from socialistic tendencies. If I am correct, we can expect our government and our laws subsequently to show the effects of this change.

But what is the outlook for American medicine under the circumstances?

I am confident it can be good.

I do not wholly subscribe to the theory that political medicine is inevitable if we continue to assert proper leadership. For any physician to think so, I believe, is psychologically bad and tactically unsound.

I have faith that a sufficient number of thoughtful men and women realize the value of freedom and will defend it adequately.

I believe that the system of private medical practice can be preserved and that it can serve even more fully the needs of a dynamic society in the future.

I have confidence that a majority of Americans believe in voluntary action regarding personal health care, and I would hope that more and more Americans will oppose compulsory systems—whether it involves medical care or any other area affecting their personal lives.

Nevertheless, I think that we in medicine and those within the sphere must maintain the proper vigilance—not only as groups of associations but also as individual members of the profession.

Vigilance by the American Medical Association, the Michigan State Medical Society or the county medical societies is not enough. Each of us must have an increased concern regarding the challenge of our institutions of private practice and the necessary physician-patient freedoms. It is not in the public interest that these be disturbed or destroyed.

As individual physicians, we need to get behind the idea of voluntarism in all matters concerning the health care of the American people. As organizations, we need to support this concept with all the power at our command.

If American medicine could have accord on the single precept of voluntarism, it would have a mighty force in action for the voluntary way in health care and against the compulsory system.

Of course, your AMA has realized that there has been a great deal of splintering within the medical profession and within the allied medical groups. Obviously, we need to draw closer together and to act and function as an even more effective health team and as a force for the voluntary system.

To make our own operation—the operation of the American Medical Association with its constituent groups—more effective in scientific and socio-economic activities for the physician and patient, the organization should be constantly advancing with the changes in the socio-economic picture.

In so doing, the AMA should be the stimulus that can help to bring unity to the entire group of medical associations and health organizations now existing in the medical and health care fields.

The AMA should seek cohesion within the medical profession.

It should seek greater liaison and co-operation with all groups in the health picture.

The AMA should seek smoother and greater communications within the whole health scheme and the public it serves.

In my opinion, the AMA has the stature, the experience and the resources to lead and guide in this task of getting the greatest mileage out of our scientific work, our socio-economic research, and our extensive program for the public.

Because basically it is a scientific organization, it should provide to physicians all the scientific materials it can—from topnotch annual and clinical meetings and high-quality journals to personalized information services on new drugs, therapy and research.

It should also aim to create a united, alert and dynamic Association that will serve all the profession and all the people of this country. In so doing, the medical profession and the public will become more aware of the sound, solid, enlightened job the AMA is doing.

I am convinced, as I know you must be, that the interests of the public and the profession are closely tied together in scores of health matters—whether they involve medical care, research, economics or education.

American medicine is important to our society.

I believe that physicians, their work and the work of their associations are a part of society, and certainly we must never be regarded as apart from our society.

Homer said, "He serves me most who serves his country best."

Paraphrasing that, I say: "He serves AMA most who serves his patients best."

It is also my personal wish that your AMA can develop all our idea-power and "horsepower" within the profession. Obviously, we need more and more participation at the local and state levels. Fires of enthusiasm must be rekindled at the grass roots if its activities are going to be representative of our profession.

To lead from strength, the AMA needs members who are contributing their creative thought and following it up with positive action based on understanding and insight.

To aid all the 178,000 members of the American Medical Association, the headquarters has been building a staff that has depth and proven ability in its respective fields.

In an effort to keep the operation as simple and direct as possible, the AMA headquarters staff has been organized into eight divisions:

1. Business
2. Law
3. Field Service
4. Communications
5. Socio-Economic
6. Scientific Activities
7. Scientific Publications
8. Washington Office

It is my sincere belief that medicine was never stronger in its ability to serve and to meet human needs.

Nevertheless, I know the AMA intends to improve upon that ability and to strive even for perfection.

Medicine never had more formidable adversaries, but medicine also has never had stronger friends.

I hope the AMA can win over some of its adversaries and co-operate further with its friends.

Medicine is in danger of being led, but it never has had greater opportunities for leadership.

Your AMA intends to seize these opportunities and lead—now and in the future.

Our profession has had a magnificent past; it has a remarkable present, and a challenging and engaging future. Medicine is destined to be a vital part of the texture of the future society. With your personal help—in fact, working together at all levels—the AMA can make a most valuable and significant contribution to the American health team, the public and the patients, whom all of us serve.

With all of us behind her, the American Medical Association can do this with firmness, strength and dignity. (Applause)

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**THE SPEAKER:** The report of the Delegates to the AMA will be reviewed by the Reference Committee on Officers' Reports.

We now have the privilege of listening to a brief annual report of the Woman's Auxiliary, Mrs. Robert E. Reagan, of Benton Harbor, President.

### VIII. REPORT OF WOMAN'S AUXILIARY TO MSMS

By Mrs. Robert E. Reagan, Benton Harbor

This has been an exciting and satisfying year for your Auxiliary. One of our members—Kathleen MacKersie of Detroit—became our National President-elect in June.

We fully expect to make a substantial contribution toward the furnishing of the All Purpose Room in your new building. As President of the Auxiliary, I had the honor and privilege of having a prediction placed in the cornerstone of that building today.

My annual report to The Council was printed in the August issue of *THE JOURNAL*, and I will not repeat that report in these remarks. I wish only to make one correction and to mention one or two programs very briefly. My chief purpose is to talk to you for a very few minutes about the role of the Auxiliary and how you, as delegates, can help us.

The correction: I said in my report to The Council that we had raised and had given to the American Medical Education Foundation "almost" \$5,000. When we received the final figures for the year, it was \$5,534.23. One of our Auxiliaries, Wayne Southern, was given national recognition at the meeting in Atlantic City in June.

As you probably know, we no longer have the sale of *Today's Health* as a project. We are being urged to continue giving subscriptions to the magazine as a community service project.

In the field of recruitment, a program which has been very vital in Michigan, we are being advised to shift our emphasis from nurse recruitment to that of the allied medical fields, such as laboratory and x-ray technologists. It is the feeling that other women's groups are aware of the nursing shortage and are doing something about it. The allied fields are better known and of more interest to us than they are to lay groups within the community.

Our primary efforts this year have been directed toward strengthening our State organization. This we have done. Our State chairmen have been well trained over the past few years, and the results show in the competent and gracious way in which they have fulfilled their responsibilities.

The President of this organization is rapidly becoming, in reality as well as in theory, a coordinator of activities within the organizations and the official representative working with many other state organizations. Even in this area, many of our contacts are made by State chairmen rather than the President, and this is as it should be. Only in our very friendly relations with our neighboring states and Ontario is the President or her representative the only official representative.

There is no way I can convey to you the responsibilities in time, energy and thought that this office now requires. All I can say is that the correspondence is endless, traveling and being away from home is just as endless, and so are the satisfactions of the job. It would be an impossible task without a patient, understanding husband at home, and the very real and solicitous help of the staff in Lansing. I do not need to name the men involved—you know them, too—but I do want to thank Helen Schulte and Jean MacDonald for doing so many things for us and always being so pleasant about it. One of the very real rewards of this Presidency is getting to know our staff people.

That is doubly true of the opportunity of knowing and appreciating your State officers. They have been

wonderful to us. As I was visiting around among our neighbors it was most pleasant and reassuring to run into Dr. Walls, Dr. Slagle and Dr. Saltonstall and Dr. Darling and their wives. I know I speak for our other officers who also have gone visiting.

Over the time that I have been active in the State Auxiliary, I have become increasingly concerned over the function and role of the Auxiliary. This is where we need your thinking and your help. Since the things I am about to say project into the future, I want you to know that Louise Gay has given me permission to talk about what we might do in her year as President.

Our own members are sometimes confused as to the role of the Auxiliary, confusing it with the service aspects of, say, hospital auxiliaries. There is need for both, but we should not confuse them.

Our most important function is to represent you—our husbands—both personally and professionally to the community at large. This is a job we have placed upon us whether you or we like it or not—whether we do it well or not. As one State publication put it, we are known in our home communities, particularly the smaller one, not as Mrs. Joe Doakes but as Mrs. Doctor Doakes. What we do and say in public reflects upon you as it does upon no other profession unless it be the ministry.

We have been told time and time again by representatives of the AMA that the doctors of the country are too few in number and too limited in financial resources as compared to the forces trying to undermine them, to put up an adequate defense against the destruction of the practice of medicine as we know it, unless they make their position understood by the community through the assistance of other like-minded people and organizations. This is where we think we can be your most useful ally. Two surveys of the past few years have confirmed what we already knew—that the doctor's wife who is active in the Auxiliary is very apt to be active in many other community organizations, as well as socially. As we were told by the AMA in Atlantic City, "Never underestimate the power of the bridge table!"

We are the ones who hear the misstatements of fact, the one-sided opinions. We need to know the facts so we can add light and not heat to discussions. One of the precepts upon which I was brought up, particularly by a grandfather, was that it's better not to know so much as to know so much that isn't so. We need to know what to say. People are legitimately concerned with the cost, availability and quality of their medical care, and it doesn't help the situation when we appear to be unconcerned about it.

The AMA does an excellent job of briefing the National Auxiliary at the close of each national convention. While Dr. Hyland was speaking I recalled that Dr. Orr, in his remarks to us this year, even suggested that from now on the Auxiliary have perhaps six observers to attend all meetings of the AMA House of Delegates so that we will not only know the actions that were taken, but so we will know some of the thinking back of them, and understand how those actions were arrived at.

Our own State Society has been very understanding and helpful to us. It is at the county level, where our members are and where the work must be done, that we sometimes do not see our relationship clearly. This is where we need your help.

Please, when you go home, inquire into the state of affairs in your county auxiliary. We are just that—an auxiliary—and we on the State level have made it very clear to our constituent county auxiliaries that they are to embark on no program without the advice and consent of the county medical society. But unless you give your county auxiliaries something to do, and a sense of being important, we are going to continue losing some of our most capable women to other organizations.

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To be specific, there is this whole matter of our aging population. You know, and we do too, that it is only partly a matter of medical care. I am sure all of us would agree with Dr. Saltonstall's remarks in the August issue of THE JOURNAL. You as doctors certainly are not responsible for many of the ills of the population, aged or otherwise. We, as your wives, have special knowledge and insights into this whole situation. We should be disseminating this knowledge through program and service activities of the many community organizations to which we belong. But we need to be kept informed ourselves.

Some state auxiliaries have embarked on very ambitious programs, such as home-maker services, and so on, as an auxiliary. In this State, we do not feel that should be our role. We feel that we should act as individuals, through community organizations, motivated and instructed by our special situation as doctors' wives. Perhaps we could work with your Geriatrics Committee.

There are other areas, such as Safety and Rural Health, where we think we can be of assistance. We have worked very closely with the Michigan Health Council, and very happily. We think that because of our friendly and very pleasant relations with the two auxiliaries to the Student AMA at Wayne and the University of Michigan we might be of assistance in doctor placement, particularly in the smaller towns and rural areas of the State. From our contacts with the young wives, we know that often it is the wife who is afraid to settle in a smallish community. Some of us know it is very pleasant and satisfying to live in such surroundings.

These, then, are indications of some of the areas where we think we could be of assistance both to the profession and to our communities. There is no point in being organized, except in special situations, for the sole purpose of being "social." Most of us have enough social outlets. Like any other dependent member of a body, we can become strong only by being used. We will be glad to do your detail work and your legwork. Most of us have the time and the interest; many of our members have real talent.

We want to fulfill the objectives of our organization as stated in our Constitution:

"(a) Through its members to explain the objectives of the medical profession to lay organizations interested in health education.

"(b) To assist in the entertainment at all Michigan State Medical Society conventions.

"(c) To promote acquaintanceship among physicians' families and thus foster better fellowship.

"(d) To do such work as may be approved or as signed by the Michigan State Medical Society."

For the privilege of working toward this goal, I am deeply grateful to the Auxiliary for electing me President. We hope we have fulfilled your trust in us. *(Applause)*

**THE SPEAKER:** The report of the Woman's Auxiliary will be referred to the Reference Committee on Officers' Reports.

We shall now listen to the annual report of the Michigan State Medical Assistants Society. Miss Donna Hislop, of Muskegon.

### IX. REPORT OF THE MICHIGAN STATE MEDICAL ASSISTANTS SOCIETY

**MISS DONNA HISLOP:** In October, 1958, thirty-four members of the Michigan State Medical Assistants Society attended the third convention of the American Association of Medical Assistants in Chicago, Illinois. At this convention, Dr. J. W. Rice was appointed to a three-year term on the National Advisory Committee, and Miss Hallie Cummins was elected to the National Board of Directors.

Two President's Conferences were held in November, 1958, and April of this year. In Battle Creek, eighty officers and committee chairmen of component societies

were in attendance to hear Dr. George Siagle speak on "Ethics of the Medical Assistant." In Port Huron, the conference was an officers' workshop.

In March, our second annual Educational Seminar was held concurrently with the Michigan Clinical Institute; 196 attended at the Fort Shelby Hotel to hear University of Michigan instructors speak on "Psychological Attitudes of the Ill Patient and How This Affects the Medical Assistant."

In April, at the Executive Board meeting of the Michigan State Medical Assistants Society, a motion was carried that an annual lectureship at the Educational Seminar would be established in the name of L. Fernald Foster, M.D., in sincere appreciation for and in recognition of the many hours he had spent in our behalf. Dr. Foster was apprised of this action.

In October of the year, four delegates and four alternates will represent the Michigan State Medical Assistants Society at the annual convention of the American Association of Medical Assistants, held in Philadelphia. Mr. Hugh Brennenman, Public Relations Counselor for the Michigan State Medical Society, will speak at the Seminar on "Leadership in Public Relations."

*The Bulletin* has been published quarterly. This year manuscripts and lectures from our various functions have been published.

This year marks the tenth anniversary for the Michigan State Medical Assistants Society, with fifty-two charter members participating.

The Michigan State Medical Assistants Society now has twenty-one component societies. Lenawee County will receive its charter at this annual session. Mason County and Grand Traverse-Benzie Counties have held organizational meetings. We now have 942 members, of whom 270 are new members this year.

A seminar type meeting was held in Houghton in May. This was two-fold: First, to provide for the medical assistants of the Upper Peninsula an educational program similar to the Seminar held in Detroit annually; second, to reorganize the structural make-up of the Upper Peninsula Society. In the new plan, Houghton-Baraga-Keweenaw is an organized component society, and Marquette-Alger have approval and backing of their county medical society and will receive their charter at the next annual meeting.

A new membership brochure has been printed for use in obtaining new members throughout the State of Michigan. For the assistance in composing and printing, we thank the Michigan State Medical Society.

For the first time the Medical Assistants are maintaining a booth at the scientific exhibition. We extend a cordial invitation to all members of the Michigan State Medical Society to stop in and learn who the medical assistants are and what they are doing throughout the component societies.

In addition to educational meetings in conjunction with State Medical Society meetings, in February, 1958, a three-year or six-semester pilot study inservice training course was instituted by the University of Michigan. This course was formulated with the able help and assistance of the Michigan State Medical Society, the Education Committee of the Medical Assistants Society, and the financial help of the Kellogg Foundation. Upon completion of the pilot program, published courses of study will become the property of the Education Committee of the Michigan State Medical Assistants Society to be used by that Committee as the basis for offering the inservice training program in centers throughout the State of Michigan.

At the present time, three semesters have been successfully completed with evaluation of the course by instructors after each semester. It might be interesting to note that after evaluation it was the opinion of both instructors and the Medical Assistants participating in the course, that course material should be upgraded to better fit the needs and desires of the participating students.

At the present time, the course has been considered by the American Association of Medical Assistants and

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permission granted the University of Michigan and the Michigan State Medical Assistants Society to present this course to the House of Delegates in Philadelphia for possible adoption as a national inservice program.

The desire of the Michigan State Medical Assistants Society is that this program be copyrighted in the name of the University of Michigan, Michigan State Medical Society, Michigan State Medical Assistants Society and the Kellogg Foundation. We feel that the program is a good inservice training program and that proper recognition should be made.

The Michigan State Medical Assistants Society greatly appreciates the interest and co-operation of The Council of the Michigan State Medical Society. We are most grateful to the county medical societies and advisory boards for their assistance throughout the years.

May we take this opportunity to invite you to attend the functions of our tenth annual convention, held at the Manger-Rowe Hotel. We will be most happy to greet you Wednesday or Thursday of this week. (Applause)

THE SPEAKER: This report will be referred to the Reference Committee on Officers' Reports.

The next matter of business is the report on Michigan Medical Service.

### X. MICHIGAN MEDICAL SERVICE REPORT

G. THOMAS McKEAN, M.D. [Wayne]: It is my great pleasure to be able to tell you of a matter that somehow was left out of the Handbook. There is a meeting of the corporation of Michigan Medical Service on Tuesday at noon. The exact location will be announced later because there is a rearrangement of rooms to be made.

The annual report of the Michigan Medical Service is on page 140 of the Handbook, which report I shall not read. There are many details in the report in the Handbook.

I would like to mention that on page 142 there is mention of tentative approval of a new M-75 service contract. This is at the end of the first paragraph. Near the bottom of page 142 is a new deductible type M-75 contract, also tentatively approved by the Board of Directors of Michigan Medical Service.

On page 143, at the end of the paragraph in the middle of the page, there is a contract tentatively approved. At the bottom of that page is mention of a new certificate to be announced and an advertising campaign scheduled, which is now taking place. All of these are now firm contracts, and naturally are under way.

On page 147 is mention of a major advance in communications with the Medical Society members. A new Medical Advisory Committee will take up problems involving prolonged care, particularly individual consideration of problems. This new Advisory Committee in Saginaw County is deserving of a little special note. There is much more detail in this report from Michigan Medical Service available to you in the Handbook.

Tuesday afternoon there will be still more detail, and it will be more up-to-date and will be given to you then. For the time being I would merely like to call your attention to the report in the Handbook, and thank you for your attention.

THE SPEAKER: The report will be referred to the Reference Committee on Miscellaneous Business.

### XI. SELECTION OF MICHIGAN'S FOREMOST FAMILY PHYSICIAN

Now we come to the time when the House of Delegates has the privilege of selecting Michigan's Foremost Family Physician. The Secretary, Dr. Wiley, will read the names of the three men who have been nominated, together with their biography, after which we will vote. This will be done by ballot. Please use the first ballot opposite page 96 in the Handbook for your vote.

Secretary D. Bruce Wiley, M.D., read the information on each of the candidates.

THE SPEAKER: The names of the three nominees are on the screen. I would like to appoint as tellers Drs. W. C. Beets, Homer A. Howes, Don Marshall, and Richard E. Wunsch. (Balloting ensued.)

THE SPEAKER: I am pleased to announce that Dr. Claytor is the choice as Michigan's Foremost Family Physician of the Year. (Applause)

(The meeting was recessed at 11:00 p.m.)

### MONDAY MORNING SESSION September 28, 1959

The meeting reconvened at 9:25 a.m., J. J. Lightbody, M.D., Vice Speaker of the House of Delegates, presiding.

### XII. RESOLUTIONS AND MOTIONS

#### XII-1. KALAMAZOO STATE HOSPITAL CENTENNIAL

DONALD G. MAY, M.D. [Kalamazoo]: The subject of this resolution is "Observation of Kalamazoo State Hospital Centennial."

"Whereas, Kalamazoo State Hospital, the first public mental hospital in Michigan, has completed its 100th year of service to the State of Michigan and is observing its Centennial on September 30, 1959, and

"Whereas, a number of members of its past medical staff have made significant contributions as leaders in local, State and national professional societies, and

"Whereas, one of the first schools of general and psychiatric nursing was established there in 1892 and reorganized by Linda Richards in 1906; the first psychiatric outpatient clinic in Michigan was established there in 1915; the first school of occupational therapy in Michigan was established there in 1922, and

"Whereas, this hospital under its present leadership has kept pace with and contributed to scientific progress in the care and treatment of the mentally ill; therefore, be it

"RESOLVED: That the Michigan State Medical Society take recognition of these accomplishments by recognizing this Centennial observation."

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Resolutions.

#### XII-2. BY-LAWS (CHAPTER 6, SEC. 6): INVESTIGATION OF MISCONDUCT

EARL G. KRIEG, M.D. [Wayne]:

"Whereas, Chapter 6, Section 6 of the Bylaws of the Michigan State Medical Society requires that disciplinary measures shall be initiated by a request of an active member or by a committee of the Society, and

"Whereas, many members are reluctant to file a complaint against another physician, and

"Whereas, a request for disciplinary measures from the Mediation Committee or any other committee requires an investigation which results in duplication of work and undue delay, and

"Whereas, complaints of an ethical nature should be handled as confidentially and expeditiously as possible, and

"Whereas, the present wording of this Section of the Bylaws is confusing and misleading; therefore, be it

"RESOLVED: That Chapter 6, Section 6 of the Bylaws be amended by rewording the first sentence: 'Disciplinary measures shall be initiated by a request of an active member or by a committee of the Society for the investigation of misconduct alleged to have been committed by a member of any component county society,' by striking out the second sentence: 'All such requests shall be in writing, signed by one or more active members of the same component county society, filed in

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duplicate with the component county society, and as soon as possible shall be referred to the ethics committee of such society.'

"The amended sentence shall read as follows: 'A request for the investigation of misconduct alleged to have been committed by a member of any component county society shall be initiated by a written request from an active member, by a committee of the society, or by the patient or the individual responsible for the patient's care.'

**THE VICE SPEAKER:** This resolution will be referred to the Reference Committee on Constitution and By-laws.

### XII—3. FREEDOM OF CHOICE OF CONTRACT IN MMS

**RALPH R. COOPER, M.D. [Wayne]:**

"Whereas, Michigan Medical Service has under certain circumstances sold M-75 contracts under Plans A, B and C as 'Income not certified,' and

"Whereas, under the free enterprise system prevalent in our national economy the purchaser should have freedom to choose the type of coverage he desires, and

"Whereas, whenever he does purchase such a contract in a plan which is below his annual income, Michigan Medical Service marks such contract 'Income not certified'; therefore, be it

"RESOLVED: That the House of Delegates approves the issuance of such 'Income not certified' policies as in keeping with the American tradition of freedom of choice; and be it further

"RESOLVED: That the House of Delegates requests the Director of Michigan Medical Service to give each purchaser of its policies the option of choice of plans currently offered for sale, and that the eligibility for service benefits under a given contract be determined by mutual agreement between the physician and patient; and be it further

"RESOLVED: That The Council of the Michigan State Medical Society be directed to endorse only such contracts as embody these principles." (See amendments, page 69.)

**THE VICE SPEAKER:** This resolution will be referred to the Reference Committee on Medical Service and Prepayment Insurance.

### XII—4. MODIFICATION OF M-75 TO \$5000 INCOME LIMIT

**LOUIS JAFFE, M.D. [Wayne]:**

"Whereas, the original purpose for the establishment of Michigan Medical Service was 'to provide low income families with a means whereby such families could obtain medical service through prepayment,' and

"Whereas, the service coverage of M-75 has exceeded this original intent by the extension of service benefits to individuals with annual income up to \$7,500; therefore, be it

"RESOLVED: That the House of Delegates reaffirms its original purpose for the establishment of Michigan Medical Service, namely, to provide low-cost prepaid medical service policies for the low income families; and be it further

"RESOLVED: That the Directors of Michigan Medical Service be requested to limit service policies to an annual family income level of \$5,000; and be it further

"RESOLVED: That The Council of the Michigan State Medical Society be directed to endorse only such contracts as embody this principle." (See substitute, page 64.)

**THE VICE SPEAKER:** This resolution will be referred to the Reference Committee on Medical Service and Prepayment Insurance.

### XII—5. MODIFICATION OF M-75 TO \$6,500 INCOME LIMIT

**J. W. RICE, M.D. [Jackson]:**

"Whereas, Michigan Medical Service is fundamen-

tally a third party for the sale of contracts furnishing physicians' services, and

"Whereas, in order to adequately represent us we must not too sharply limit this third party, and

"Whereas, an income limit of \$5,000 would restrict the sale of policies to less than 50 per cent of those now having Blue Shield policies, and further we must recognize that the income group of \$5,000 to \$6,500 are the ones most in need of a service policy with a guaranteed fee for service; therefore, be it

"RESOLVED: That this House of Delegates directs the Executive Board of Michigan Medical Service to not sell medical service policies with guaranteed fee for service to any individuals with certified incomes above \$6,500." (See substitute, page 64.)

**THE VICE SPEAKER:** This resolution will be referred to the Reference Committee on Medical Service and Prepayment Insurance.

### XII—6. HOSPITAL COMMITTEE REPORTS, PREVENT SUBPOENA

**J. R. BRINK, M.D. [Kent]:** This is a resolution on hospital committee studies.

"Whereas, the necessity of certain intrahospital studies by various committees of the medical staff toward the end of reducing morbidity and mortality among patients is now demanded by the hospital accrediting bodies and is in accord with continuing good medical practice, and

"Whereas, ill-advised publication of medical staff committee reports might be detrimental to the furthering of good patient care; therefore, be it

"RESOLVED: That legislation be prepared and introduced in the Michigan Legislature to deny to subpoena all hospital medical staff committee reports."

Attached is an Act passed by the South Dakota Legislature relative to this matter.

**THE VICE SPEAKER:** This resolution will be referred to the Reference Committee on Legislation and Public Relations.

### XII—7. MMS BOARD OF DIRECTORS; PUBLISH NOMINATIONS FOR

**R. E. WUNSCH, M.D. [Wayne]:** Subject: Nominees, Michigan Medical Service Board of Directors.

"Whereas, the House of Delegates of the Michigan State Medical Society is the corporate body of Michigan Medical Service, and

"Whereas, the selection of members of the Board of Directors of Michigan Medical Service is made by the House of Delegates annually, and

"Whereas, the delegates should have ample time to study the nominees for the Board of Directors of Michigan Medical Service; therefore, be it

"RESOLVED: That the Board of Directors of Michigan Medical Service be requested to furnish the delegates of the Michigan State Medical Society the names of the nominees to the Michigan Medical Service Board of Directors known at that time, together with a biographical sketch of each nominee two weeks prior to the opening of the Annual Session of the House of Delegates; and be it further

"RESOLVED: That the furnishing of this advance information shall not change the right of the delegates to present subsequent nominations by petition."

**THE VICE SPEAKER:** This resolution will be referred to the Reference Committee on Resolutions.

### XII—8. REAFFIRMING 1957 STATEMENT OF PRINCIPLES

**F. C. RYAN, M.D. [Kalamazoo]:**

"Whereas, in the past twenty-five years there has been a gradual shift of political power to the large industrial working class, and

"Whereas, the private practice of medicine is being challenged by pressures from the socio-economic climate of our time with the development of prepaid medical care plans based upon the closed panel type of practice, particularly in industrialized areas, and

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"Whereas, the voluntary prepayment principle based on service benefits incorporated in the Statement of Principles of Prepaid Medical Care Insurance as enunciated by the Michigan State Medical Society House of Delegates at its 1957 annual meeting is a positive, practical response to this serious challenge; therefore, be it

"RESOLVED: That the Statement of Principles of Prepayment Medical Care Insurance as approved by the House of Delegates in 1957 be hereby reaffirmed." (See substitute, as amended, page 73.)

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Prepayment Insurance.

### XII—9. BYLAWS (CHAP. 16, SEC. 2) DUES DELINQUENCY DATE CHANGE

F. B. LEVAGOON, M.D. [Wayne]:

"Whereas, there is a discrepancy in the delinquency dates for payment of dues between the component county societies, the American Medical Association and the Michigan State Medical Society, and

"Whereas, such a discrepancy in delinquent dates leaves many members of component county societies in arrears with the Michigan State Medical Society while at the same time being in good standing with their component county society and the American Medical Association; therefore, be it

"RESOLVED: That Chapter 16, Section 2 of the Bylaws of the Michigan State Medical Society be amended by striking out April 1 and substituting therefor May 15."

THE VICE SPEAKER: This will be referred to the Reference Committee on Constitution and Bylaws.

### XII—10. MMS: PARTICIPATING AND NON-PARTICIPATING PHYSICIANS TO BE PAID IN SAME MANNER

P. T. LAHTI, M.D. [Oakland]:

"Whereas, the Statement of Principles as passed by the House of Delegates of the Michigan State Medical Society upon which the M-75 plan is based, states in Principle 1: 'There must be complete freedom of choice of physician by the patient. Nothing in any contract will imply any restriction of this Principle . . . , and

"Whereas, the doctor-opinion survey on prepaid medical care plans, page 61, paragraph 12, reveals that the majority of the doctors of Michigan 'feel that where service is rendered by a nonparticipating physician the Blue Shield payment should go directly to the doctor,' and

"Whereas, it is the opinion of the Michigan Attorney General that the Enabling Act does not specify how Blue Shield should discharge its obligations to doctors, and

"Whereas, Michigan Medical Service has paid participating and nonparticipating doctors in the same manner prior to the issuance of the M-75 contract; therefore, be it

"RESOLVED: That the House of Delegates of the Michigan State Medical Society direct the Michigan Medical Service to pay the nonparticipating physician in the same manner as the participating physician." (See substitute, as amended, page 70.)

THE VICE SPEAKER: This resolution is referred to the Reference Committee on Prepayment Insurance.

### XII—11. CREATION OF HOUSE OF DELEGATES SPECIAL COMMITTEE ON CONSTITUTION AND BY-LAWS

E. C. BAUMGARTEN, M.D. [Wayne]: This resolution is entitled, "Standing Committee on Constitution and By-laws."

"Whereas, each year changes are proposed in the Constitution and Bylaws of the Michigan State Medical Society, and

"Whereas, these piecemeal changes, when enacted, may affect the continuity of the Constitution and Bylaws and thereby create confusion, and

"Whereas, it is desirable to have the Constitution and Bylaws up to date; therefore, be it

"RESOLVED: That a standing Committee on Constitution and Bylaws of the House of Delegates be appointed; and be it further

"RESOLVED: That all changes in the Constitution and Bylaws be referred to this Committee with the purpose of keeping this organ in good working order." (For substitute, see page 51.)

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Miscellaneous Business.

### XII—12. MMS SPONSORSHIP OF A PREPAID MEDICAL CARE INSURANCE PLAN

F. C. BRACE, M.D. [Kent]: This is a resolution on Michigan Medical Service.

"Whereas, there is an apparent need for voluntary prepaid medical care for the lower income groups, and

"Whereas, the majority of physicians of the Kent County Medical Society are in favor of providing such voluntary prepaid medical care; therefore, be it

"RESOLVED: That the Michigan State Medical Society continue to sponsor a prepaid medical care insurance plan such as Michigan Medical Service."

THE VICE SPEAKER: This will be referred to the Reference Committee on Prepayment Insurance.

### XII—13. BYLAWS (CHAP. 9, SEC. 1 & 2, AND CHAP. 10, SEC. 2) COUNCILORS TO BE MEMBERS OF HOUSE OF DELEGATES

D. A. BOWMAN, M.D. [Bay-Arenac-Iosco]:

"Whereas, Councilors are the elected representatives of the House of Delegates between sessions, and

"Whereas, their active participation in the deliberations and decisions of the House of Delegates would be to the advantage of the Michigan State Medical Society; therefore, be it

"RESOLVED: That the Bylaws be amended to read as follows:

"Chapter 9—House of Delegates.

"Section 1—Composition. The House of Delegates shall be composed of members elected by the component county societies and the Councilors.

"Section 2—Officers of this State Society shall be ex officio members of the House of Delegates and shall be without power to vote in the House of Delegates, et cetera.

"Chapter 10—Council.

"Section 2—add: 'He shall serve as delegate-at-large in the House of Delegates.'" (Amended and referred to House of Delegates Study Committee.)

THE VICE SPEAKER: This will be referred to the Reference Committee on Constitution and Bylaws.

### XII—14. MMS: PROMOTE SALE OF DEDUCTIBLE AND LIMITED SERVICE CONTRACTS

V. A. NOTIER, M.D. [Kent]:

"Whereas, the present type of service policy is becoming too expensive and leads to serious abuse and overutilization of hospital and medical services, and neglects the responsibility on the part of the patient; therefore, be it

"RESOLVED: That the Board of Directors of Michigan Medical Service make every possible effort to promote the sale of limited service and indemnity contracts with deductible features."

THE VICE SPEAKER: This will be referred to the Reference Committee on Prepayment Insurance.

### XII—15. MMS BOARD OF DIRECTORS: MAXIMUM TERM OF MEMBERS

W. B. MCINTYRE, M.D. [Wayne]:

"Whereas, the Board of Directors of Michigan Medical Service is elected by representatives of the medical profession, and Michigan Medical Service is created to function in its field for the good of the public and the medical profession, and

"Whereas, the Board of Directors who controls this corporation encounters professional and administrative

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problems inherent in the proper conduct of the corporation and develops a competency in these problems, and

"Whereas, it is necessary that the Board of Directors has not only continuity but also that there be provision for the election of new members to the Board, and

"Whereas, history has shown that it is very difficult to elect a new member to the Board by defeating an incumbent; therefore, be it

"RESOLVED: That the Board of Directors of Michigan Medical Service be requested to amend its Bylaws so that any member of the Board of Directors who shall have served two consecutive terms of three years each, making a total of six years, be ineligible for re-election for a period of one year immediately following the two consecutive terms."

THE VICE SPEAKER: This will be referred to the Reference Committee on Resolutions.

### XII-16. MMS: FAMILY INCOME DETERMINATION

A. R. VANDEN BERG, M.D. [Kent]:

"Whereas, there may be more than one major wage earner in a family; therefore, be it

"RESOLVED: That total family income be used as a guide in determining fees when total income exceeds the subscriber's contract." (See substitute, page 64.)

THE VICE SPEAKER: I will refer this to the Reference Committee on Prepayment Insurance.

### XII-17. MMS: PARTICIPATING AND NON-PARTICIPATING PHYSICIANS TO BE PAID IN SAME MANNER

E. M. VARDON, M.D. [Wayne]:

"Whereas, the present method of payment for services rendered by the nonparticipating doctors of medicine has created a great deal of discontent among the doctors of Michigan, and

"Whereas, the Enabling Act also guarantees subscribers free choice of physician and forbids direct payment to the subscriber, and

"Whereas, for many years Michigan Medical Service satisfactorily paid nonparticipating doctors of medicine directly, and

"Whereas, participation should be on the basis of satisfaction with the plan rather than economic coercion; therefore, be it

"RESOLVED: That Michigan Medical Service be requested to remove any distinction between participating and nonparticipating physicians in regard to payment of fees so that such fees shall be paid directly to the physician rendering service; and be it further

"RESOLVED: That The Council of the Michigan State Medical Society be directed to endorse only such contracts as embody this principle." (See substitute, as amended, page 70.)

THE VICE SPEAKER: This will be referred to the Reference Committee on Prepayment Insurance.

### XII-18. ADOPTIONS

A. C. STANDER, M.D. [Saginaw]:

"Whereas, the family physician is in a particularly privileged situation with regard to knowledge of the availability of children for adoption, and of couples desiring to adopt children, and

"Whereas, the physician has direct responsibilities in adopting to the natural parents, the child, the prospective adoptive parents, and indirect responsibilities as consultant to social agencies, as an educator, and as a citizen, and

"Whereas, physicians individually and the Michigan State Medical Society are in agreement with the laws of the State of Michigan which regulate and safeguard adoptions, and

"Whereas, it is generally recognized that adoption is a highly specialized process which involves the exercise of social work skills in securing competent evaluations of the physical and mental needs and capacities of the

child and of the physical, mental, and the social attributes of the adoptive parents and in placing the child in the best possible home for him; therefore, be it

"RESOLVED: That the Michigan State Medical Society recommends (1) that all county medical societies carefully scrutinize adoptive practices in their areas which may lead to the participation of a physician in the placement or referral of any child for adoption; (2) that physicians throughout the State of Michigan be strongly urged to acquaint any person approaching them for advice concerning adoption with public procedures of adoption as prescribed by law and, further, that the physicians encourage their patients to contact authorized social agencies in all adoptions; and be it further

"RESOLVED: That a copy of this resolution be mailed to the presidents of all county medical societies; to the Directors of the State Department of Social Welfare and the State Department of Health, respectively, and to the probate courts in the several counties."

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Legislation and Public Relations.

### XII-19. BYLAWS (CHAP. 16, NEW SEC. 4): DEFERMENT OF DUES

H. M. FULLER, M.D. [Wayne]:

"Whereas, many component societies give members the right to pay their dues on a deferred basis upon written request, and

"Whereas, subject to approval of the governing body of said component societies such requests are frequently granted; therefore, be it

"RESOLVED: That Chapter 16 of the Bylaws of the Michigan State Medical Society be amended by adding a new Section, to be known as Section 4, to provide that upon written request of a governing body of a component county society a member shall be granted an extension of time for the payment of dues to the State Medical Society, provided that such extension shall not be beyond the fiscal year of the Michigan State Medical Society."

THE VICE SPEAKER: This will be referred to the Reference Committee on Constitution and Bylaws.

### XII-20. MMS: PARTICIPATING AND NON-PARTICIPATING PHYSICIANS TO BE PAID IN SAME MANNER

W. J. FULLER, M.D. [Kent]: Mr. Speaker, the following resolution was approved by the Kent County Medical Society on September 8, 1959:

"Whereas, the present method of payment by the Michigan Medical Service to physicians is discriminatory; therefore, be it

"RESOLVED: That Michigan Medical Service eliminate differences in method of payment to participating and non-participating doctors of medicine, and that said doctors be paid directly." (See substitute, as amended, page 70.)

THE VICE SPEAKER: This will be referred to the Reference Committee on Prepayment Insurance.

### XII-21. HOUSE OF DELEGATES TO APPROVE PREPAYMENT PLAN CONTRACTS

F. H. POWER, M.D. [Grand Traverse]:

"Whereas, during the 92nd Annual Session of this House of Delegates 'Principles to be Embodied in Insurance Contracts' was adopted, and

"Whereas, the statement is made that 'any contract offered by an insurance carrier or prepayment plan organization, which embodies the principles set forth in Section C herein, shall receive the endorsement of the Society,' and

"Whereas, further provision is made for the Medical Care Insurance Committee of The Council 'to examine all contracts submitted for endorsement' and to furnish 'a report . . . to The Council, which will have the

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authority to issue a certificate of endorsement on behalf of the Society,' and

"Whereas, The Council has been thus directed by this House of Delegates to approve any contract embodying these principles, whether they agree with the specific contract or not, and

"Whereas, this House of Delegates cannot be certain all contracts following these principles would meet with its specific approval, if such contracts were presented in full text to the members of this body, and

"Whereas, without any implication of criticism of The Council or its Committee, it can be fairly stated that the operation of the present method of endorsement has not met anything like universal approval; therefore, be it

"RESOLVED: That the above-noted authority to approve, delegated to The Council, is hereby rescinded; and be it further

"RESOLVED: That any insurance carrier or pre-payment plan organization seeking approval or endorsement of its program by MSMS shall submit the complete text of the policies, for which approval is sought, to this House as a whole, for appropriate action."

THE VICE SPEAKER: This will be referred to the Reference Committee on Prepayment Insurance.

### XII—22. PORTION OF DUES REBATED TO COUNTY MEDICAL SOCIETIES FOR LOCAL PR PROGRAM

D. I. SUGAR, M.D. [Wayne]:

"Whereas, the most effective public relations programs are those developed at a grass roots level by a local society to meet the specific needs in that area, and "Whereas, to develop and implement such public relations programs requires funds, and

"Whereas, the charge made by the Michigan State Medical Society for public relations programs (\$21.50 per member per year) prohibits county medical societies from assessing their members for this purpose; therefore, be it

"RESOLVED: That The Council of the Michigan State Medical Society be directed to refund \$15 per member per year to each county society or reduce its dues proportionately so that each society can assess its members for public relations programs."

THE VICE SPEAKER: This will be referred to the Reference Committee on Legislation and Public Relations.

### XII—23. BYLAWS (CHAP. 6): TRANSPOSING SECTIONS 11 AND 12

H. C. REES, M.D. [Wayne]:

"Whereas, in Chapter 6 of the Michigan State Medical Society Bylaws, Section 11, 'Action by the Society' precedes Section 12, 'Action on Report—Additional Testimony,' and

"Whereas, the present order of these Sections is confusing and may result in a procedural error; therefore, be it

"RESOLVED: That Section 11 and Section 12 of Chapter 6 of the State Bylaws be hereby amended by changing the numbers and titles as follows:

"Section 11. Action on Report—Additional Testimony";

"Section 12. Action by Society."

THE VICE SPEAKER: This will be referred to the Reference Committee on Constitution and Bylaws.

### XII—24. TRANSMITTING COUNCIL MINUTES TO DELEGATES

D. W. MCLEAN, M.D. [Wayne]:

"Whereas, the House of Delegates is the policymaking body of the Michigan State Medical Society, and

"Whereas, members of The Council of the Michigan State Medical Society are elected by the House of Delegates to carry on the business of the Michigan State Medical Society between sessions of the House of Delegates, and

"Whereas, it is necessary that the delegates be fully informed regarding the conduct of the Society's business between sessions; therefore, be it

"RESOLVED: That complete copies of the minutes of each and every meeting of The Council of the Michigan State Medical Society and its Executive Committee be transmitted to each delegate within twenty-one days of such meetings."

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Rules and Order of Business.

### XII—25. BYLAWS (CHAP. 16): REDUCED DUES FOR YOUNGER MEMBERS SO PRIVILEGED BY COUNTY MEDICAL SOCIETY

H. W. HENDERSON, M.D. [Wayne]:

"Whereas, the best interests of organized medicine are served by the incorporation into the component county and state medical societies of those doctors of medicine who are entering into the practice of medicine, and

"Whereas, many young physicians are encumbered with debts and therefore find it financially difficult to pay the full dues of such societies; therefore, be it

"RESOLVED: That Chapter 16 of the Bylaws of the Michigan State Medical Society be amended to provide that during the first year of practice a doctor of medicine who is accepted by a component county society with a reduction in dues shall be eligible for membership in the Michigan State Medical Society by the payment of one-third of the established dues schedule and that, if so accepted, he shall be eligible for a reduction to half the State Society's dues schedule for the second year of membership; thereafter, he shall be subject to the full fee schedule for dues; and be it further

"RESOLVED: That this resolution in no way exempts any member from a properly constituted assessment."

THE VICE SPEAKER: This will be referred to the Reference Committee on Constitution and Bylaws.

### XII—26. GERIATRICS CHAIRS IN MEDICAL SCHOOLS

S. E. CHAPIN, M.D. [Wayne]:

"Whereas, special techniques of medicine are required in the care of aging people, and

"Whereas, special research in medicine and allied fields is required in the care of aging people, and

"Whereas, both techniques and research are sometimes different from those used in other branches of medicine, and

"Whereas, both students and faculty members have need for knowledge in this area; therefore, be it

"RESOLVED: That the Michigan State Medical Society advocates establishment of chairs in geriatrics in the medical schools of this State; and be it further (For amendment, see page 50.)

"RESOLVED: That the Michigan State Medical Society advocates specialized teaching of this subject in our medical schools and beyond 'integrated' instruction by specialists in other branches of medicine."

THE VICE SPEAKER: This will be referred to the Reference Committee on Legislation and Public Relations.

### XII—27. HOUSE OF DELEGATES COMMITTEE TO STUDY MALPRACTICE

E. E. MARTMER, M.D. [Wayne]:

"Whereas, malpractice litigations are always a threat to the doctor of medicine, and

"Whereas, the awards rendered by juries are reaching astronomical figures that may render the defendant penniless due to inadequate insurance coverage; therefore, be it

"RESOLVED: That a committee of the House of Delegates be appointed by the Speaker in consultation

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with the President to study the entire problem of mal-practice." (See amendment, page 42.)

THE VICE SPEAKER: This will be referred to the Reference Committee on Resolutions.

### XII—28. TRANSMITTING COUNCIL MINUTES TO DELEGATES

J. D. MILLER, M.D. [Kent]:

"Whereas, the transfer of information from The Council to the delegates of the county societies, is not in accordance with modern methods of communications, and  
"Whereas, the minutes of the midsummer meeting of The Council which were promised for the August issues of THE JOURNAL of the Michigan State Medical Society were not included in said JOURNAL, and

"Whereas, it is necessary for the delegates of the component societies to have information pertinent to the activities of the Society promptly; therefore, be it

"RESOLVED: That the minutes of the meetings of The Council and its Executive Committee be transmitted to the delegates of each county society within thirty days of said meetings."

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Rules and Order of Business.

### XII—29. BYLAWS: DELETE CHAPTER 7 RE GRIEVANCE COMMITTEE

M. R. WEED, M.D. [Wayne]:

"Whereas, Chapter 7 of the Bylaws of the Michigan State Medical Society, 'Grievances of Nonmembers—Mediation Committees,' directs each county society to establish a Mediation Committee and specifies policy, purposes, duties and powers of these Committees, and

"Whereas, this Chapter is unrelated to any committee or activity of the State Society and concerns the component county societies only, and

"Whereas, it is the responsibility of the Michigan State Medical Society to guide and assist but not to direct the activities of the county medical societies, and

"Whereas, it is recognized that it is the responsibility of the county society to reconcile these grievances and misunderstandings between physicians and their patients, and

"Whereas, each county medical society should have the prerogative of developing and following those procedures most effective in its area for carrying out this responsibility to the public and to the physicians; therefore, be it

"RESOLVED: That the Bylaws of the Michigan State Medical Society be hereby amended by deletion of Chapter 7, 'Grievances of Nonmembers—Mediation Committees'; and be it further

"RESOLVED: That the contents of this Chapter be sent to each component medical society as a guide for its Mediation Committee."

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Constitution and By-laws.

### XII—30. ITEMIZATION OF BLUE CROSS-BLUE SHIELD PREMIUM NOTICES

G. S. FISHER, M.D. [Wayne]:

"Whereas, many policyholders believe that their premiums are paid into one general fund, and

"Whereas, there has been a great deal of confusion about this, and

"Whereas, even if the subscribers are cognizant of the separate existence of Michigan Medical Service and Michigan Hospital Service they do not know how the premiums are divided between these corporations; therefore, be it

"RESOLVED: That all premium notices shall be itemized so that the policyholders can quickly and clearly understand what percentage of their premium is spent to defray hospital costs, remuneration of doctors, and other expenses incidental to medical care." (See amendment, page 70.)

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THE VICE SPEAKER: This will be referred to the Reference Committee on Prepayment Insurance.

### XII—31. PRENATAL HEALTH

S. A. COSENS, M.D. [Bay]:

"Whereas, the Maternal and Child Health Division of the Michigan Department of Health has instituted a 'Prenatal Letter Program' at public expense and claims sponsorship of the Michigan Medical Society in this activity, and

"Whereas, the need or desirability of such a program by a governmental bureau has not been adequately proven, and

"Whereas, such prenatal education is the rightful private responsibility of the attending physician and is readily available from private sources, and

"Whereas, the existence of such a program constitutes the usurpation of the responsibilities of the private practice of medicine by a governmental bureau at the taxpayer's expense; therefore, be it

"RESOLVED: That the Michigan Medical Society recommend to the Michigan Department of Health that this program be abandoned; and if this is not done, that the membership of the Michigan Medical Society be advised against participation or sponsorship."

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Hygiene and Public Health.

### XII—32. BYLAWS (CHAP. 6, SEC. 7) TO DELETE "DISMISSAL" IN LAST SENTENCE

SIDNEY ADLER, M.D. [Wayne]:

"Whereas, Chapter 6, Section 7 of the Michigan State Medical Society Bylaws requires the ethics committee of the county medical society 'to report such dismissal or reprimand in writing to the component county society, together with the reasons thereof,' and

"Whereas, the reporting of such dismissed cases by county ethics committees gives unnecessary publicity for a member found not guilty of the charges; therefore, be it

"RESOLVED: That Chapter 6, Section 7 of the State Bylaws be amended by striking out the words 'dismissal or' from the last sentence in this Section."

THE VICE SPEAKER: This will be referred to the Reference Committee on Constitution and By-laws.

### XII—33. BYLAWS (CHAP. 10, SEC. 7) EDITOR TO BE ELECTED BY HOUSE OF DELEGATES

E. J. TALLANT, M.D. [Wayne]:

"Whereas, it is been recommended to the House of Delegates of the Michigan Medical Society that the Editor of The Journal of the State Society be elected; therefore, be it

"RESOLVED: That the Bylaws be hereby amended by striking out the following words in the first sentence in Chapter 10, Sec. 7: 'An Editor of The Journal of the Michigan State Medical Society,' and by adding the following new paragraph to Chapter 9:

"Sec. 10: '(h) At each Annual Session The Council shall present to the House of Delegates one or more nominations for the office of Editor. Further nominations made be made from the floor of the House. From this list of nominees the House of Delegates shall elect for a one-year term the Editor of The Journal of the Michigan State Medical Society.'" (See substitute, page 49.)

THE VICE SPEAKER: That resolution will be referred to the Reference Committee on Constitution and By-laws.

### XII—34. AMENDMENT TO BYLAWS SO EDITOR IS ELECTED BY HOUSE OF DELEGATES

E. J. TALLANT, M.D. [Wayne]:

"Whereas, the Editor of The Journal of the Michigan State Medical Society should represent the policies and decisions of the members; therefore, be it

"RESOLVED: That the Editor of The Journal of

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the Michigan State Medical Society be elected by the House of Delegates; and be it further

"RESOLVED: That the appropriate Bylaw amendments be prepared to carry out this recommendation." (See substitute, page 49.)

THE VICE SPEAKER: This resolution also will be referred to the Reference Committee on Constitution and Bylaws.

### XII-35. TRANSMITTING COUNCIL MINUTES TO DELEGATES

W. J. ZIMMERMAN, M.D. [Oakland]:

"Whereas, the officers, Executive Committee and members of the Oakland County Medical Society desire to be informed of the details surrounding the legislative actions of The Council and its Executive Committee, and

"Whereas, the Executive Committee of The Council has stated in a letter dated December 23, 1958 that copies of minutes of any MSMS Council, Executive Committee and other committee meetings have always been available at MSMS headquarters in Lansing, and

"Whereas, delegates and members of county committees must have information readily available at their county executive offices, and

"Whereas, the abridged notes of such meetings as they appear in the MSMS JOURNAL are inadequate, incomplete and delayed; therefore, be it

"RESOLVED: That the Secretary of the MSMS forward to the proper authorities of all county medical societies the minutes of any MSMS Council, Executive Committee and other committee meetings upon written request; and be it further

"RESOLVED: That such material be used only for the information of the county society and returned if desired on a specified date."

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Rules and Order of Business.

### XII-36. CIVIL DEFENSE TRAINING PROGRAM

W. J. COULTER, M.D. [Wayne]:

"Whereas, in the event of an atomic attack on any of the industrial areas of Michigan, the burden of care for the victims of such an attack would fall on the less populous areas of the State, and

"Whereas, the Federal Civil Defense Agency is stockpiling 200-bed emergency hospital units in such less populated areas of Michigan, and

"Whereas, the proper use of such hospital equipment requires the training of both medical and lay personnel, according to training plans adopted by the Michigan Office of Civil Defense; therefore, be it

"RESOLVED: That the House of Delegates urge all component county medical societies which have not already done so to set up training programs under the auspices of Civil Defense agencies, to train physicians, nurses, ancillary professional and volunteer lay personnel for operation of emergency Civil Defense hospital units; and be it further

"RESOLVED: That a copy of this resolution be sent to the secretary of every component county medical society in Michigan." (See added "resolved," page 52.)

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on National Defense and Disaster Planning.

### XII-37. COUNTY MEDICAL SOCIETY MEDICAL STUDENT RECRUITMENT

H. F. FALLS, M.D. [Washtenaw]:

"Whereas, it is becoming increasingly evident that, secondary to accelerated competition for the gifted student presented by industry, business, science and agriculture, there is a rapid declining level in the quality of students entering the study of medicine, and

"Whereas, the future of medicine as well as the caliber of American medical care is solely dependent upon this quality of such students, and

"Whereas, responsible and dedicated youth is impressionable and most susceptible to the influence of leading senior citizens as to their eventual choice of vocation; therefore, be it

"RESOLVED: That each individual member of this House of Delegates consider himself as a committee of one to sell medicine as a vocation to leading high school and college students in each community; and be it further

"RESOLVED: That each component county society of MSMS be respectively encouraged to appoint an active committee delegated with the responsibility of continuous presentations of the virtues, advantages and self-gratification inherent in medicine as a vocation; and be it further

"RESOLVED: That the Michigan Health Council conferences scheduled to occur during the next few months be given enthusiastic and active support of such committees." (For additional "resolved," see page 50 and amendment, page 51.)

THE VICE SPEAKER: This resolution will be referred to the Reference Committee on Legislation and Public Relations.

### XII-38. MMS: STUDY OF REMUNERATION FOR PROLONGED AND/OR COMPLICATED CASES

G. S. FISHER, M.D.:

"Whereas, the Michigan Medical Service fee schedule does not take into consideration the need for additional remuneration in cases where the care is prolonged and/or complicated; therefore, be it

"RESOLVED: That the House of Delegates directs the Speaker of the House to appoint a committee of delegates of not less than five nor more than seven members to explore and recommend proper implementation of the principle that fees shall be varied for any service under the Michigan Medical Service contracts in accordance with the prolonged and/or complicated care of the patient concerned; and be it further

"RESOLVED: That this committee shall report its findings and recommendations to the House of Delegates at the next Annual Session." (See substitute, page 73.)

THE VICE SPEAKER: This will be referred to the Reference Committee on Prepayment Insurance.

### XII-39. OTHER PROFESSIONS: REDUCED FEES TO SENIOR CITIZENS

W. C. BEETS, M.D. [Kent]:

"Whereas, the happiness and serenity of the lives of our senior citizens should be of concern to all our peoples, and

"Whereas, the House of Delegates of the American Medical Association has taken the highly commendable action in calling for the medical profession in general, and the Blue Shield organization in particular, to provide medical care for this age group at reduced fees, and

"Whereas, this in effect represents a subsidy to be provided by the members of a single profession, and (See amended "resolved," page 50.)

"Whereas, other professional expenses might be expected to be incurred by these retired citizens to be paid at the full rate for the services rendered; therefore, be it

"RESOLVED: That the House of Delegates of the Michigan State Medical Society instruct the physicians on the Board of Directors of the Michigan Association of the Professions to urge the Michigan Society of Architects, the Michigan Society of Professional Engineers, the Michigan State Dental Association and the State Bar Association of Michigan to publish as soon as possible a statement of principles for guidance of the members of the respective professions, to be followed as soon as practical by a fee schedule covering the various services provided by the divers professions for our citizens who are over sixty-five years of age."

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**THE VICE SPEAKER:** This resolution will be referred to the Reference Committee on Legislation and Public Relations.

### XII—40. MMS: CHANGES IN PUBLIC ADVERTISING

**E. C. BAUMGARTEN, M.D. [Wayne]:**

"Whereas, Michigan Medical Service advertises that Michigan Medical Service pays your doctor, and also that Michigan Medical Service is 'The Doctors' Plan,' and

"Whereas, these statements are at variance with the facts; therefore, be it

"RESOLVED: That Michigan Medical Service be requested to delete such statements from advertising to the public; and be it further

"RESOLVED: That The Council of the Michigan State Medical Society be directed to endorse only such contracts as embody these principles."

**THE VICE SPEAKER:** This will be referred to the Reference Committee on Prepayment Insurance.

### XII—41. COMMENDATION TO MEDICAL CARE INSURANCE COMMITTEE

**A. S. NAROTZKY, M.D. [Marquette-Alger]:**

"Whereas, the Medical Care Insurance Committee has faithfully and diligently discharged the tasks assigned to it under the commitments made by the Michigan State Medical Society and within the framework of the Statement of Principles of Prepaid Medical Insurance adopted by the House of Delegates; therefore, be it

"RESOLVED: That the House of Delegates commend the Medical Care Insurance Committee and its Chairman, Dr. Max Lichten, for a difficult and complex job well done."

**THE VICE SPEAKER:** This will be referred to the Reference Committee on Resolutions.

### XII—42. MMS: DETERMINING TOTAL ANNUAL FAMILY INCOME

**R. E. WUNSCH, M.D. [Wayne]:**

"Whereas, the eligibility for service benefits under former contracts of Michigan Medical Service was based on total family income, and

"Whereas, eligibility for service benefits under the present Michigan Medical Service M-75 contracts is on an income level determined by the projection of the current rate of earnings of the basic wage earner in the family and not by family income, and

"Whereas, this method of determining income may be unfair to both the doctor of medicine and the subscriber; therefore, be it

"RESOLVED: That Michigan Medical Service be requested to use the total annual family income in the sale of policies covering other than a single subscriber; and be it further

"RESOLVED: That The Council of the Michigan State Medical Society be directed to endorse only such contracts as embody this principle." (See substitute, page 64.)

**THE VICE SPEAKER:** This resolution will be referred to the Reference Committee on Prepayment Insurance.

### XII—43. HANDBOOK LISTING OF MSMS OFFICERS

**R. R. COOPER, M.D. [Wayne]:**

"Whereas, the Handbook for Delegates lists the officers of the State Society, and

"Whereas, the Editor of 'The Journal' is not an officer of the Michigan State Medical Society according to Article 9 of the Constitution, and

"Whereas, the post of Assistant Editor is not provided for in the Michigan State Medical Society Bylaws; therefore, be it

"RESOLVED: That in the future the Handbook should list the officers of the Michigan State Medical Society correctly."

**THE VICE SPEAKER:** This will be referred to the Reference Committee on Miscellaneous Business.

### XIII—FIFTY-YEAR AWARDS

**THE SPEAKER:** At the moment we are honoring those physicians of the Michigan State Medical Society who have completed fifty years in the practice of medicine.

The following were presented Fifty-Year Awards:

Corwin S. Clarke, M.D., Jackson  
Henry Cook, M.D., Flint  
Ferdinand Cox, M.D., Jackson  
Walter L. Finton, M.D., Jackson  
E. V. Joinville, M.D., Detroit  
John S. Lambie, M.D., Birmingham  
Ralph W. Ridge, M.D., Wyandotte  
John T. Sample, M.D., Saginaw  
Emma L. W. Sheppard, M.D., Fenton

(The audience arose and applauded.)

### XIV. PRESENTATION MADE BY CHAIRMAN, NATIONAL BLUE SHIELD PLANS

**THE SPEAKER:** We have the very rare privilege of having with us some gentlemen on the National Blue Shield Plans. Dr. R. B. Carson, John Castellucci, and Dr. Donald H. Stubbs, who is Chairman of the Commission. It is my very distinct privilege to introduce to you Dr. Stubbs, who will speak to us on the subject, "The National Scene of Blue Shield."

**DONALD H. STUBBS, M.D.:** I came to Michigan from Texas on Saturday. While I was there I became acquainted with a special brand of short straight razor which seemed not to be a suitable weapon for fighting, and it was explained that it was not so. It was a therapeutic tool. Rattlesnakes, you know. When one gets bitten he cuts the fang marks with the razor, sucks out the blood and goes about his business. But there is a possibility of sitting on a rattlesnake in Texas, and so the question arose as to what one does in such an event.

An old man said, "Son, that's how you tell who your friends are." (Laughter)

So, I brought the knife along; and if I have any friends in the audience when I finish today, and if I should get bitten on the way back to my seat, I shall put it in my right hand pocket.

I think I should start by saying something about who we are and who you are. Your Speaker kindly commented on the fact that we are from the National Board, and he spoke of it as being a privilege to have us here. It is distinctly a privilege to us to be here, and personally I am quite pleased to be able to address this distinguished group of American physicians.

Prepayment plans, as we all know, have existed in varying forms over this country for many years. They grew up in grass roots areas as a response to mounting pressures for easing the burdens of paying for medical care, and they grew up in varied forms because they did grow at the grass roots level.

It was in 1946 that the American Medical Association took the initiative of helping gather these together, those who conformed to a group of principles that seemed suitable for nonprofit local control; and, as I say, they initiated the National Association of Blue Shield Plans. They put up money to help do this.

At the present time, we have gone a long way from 1946, and we have a national organization which has considerably more of an autonomous status than it had at that moment. There has been a tendency at the national level, as there has been at the local level, for distinctly professional activities to be separated somewhat from those having to do primarily with economic affairs; and this, we think, is as it should be—that these organizations have certain interests of parallel nature. We believe that by keeping them very closely related they can serve a common purpose, but by having some parallel separations and parallel forces they may be mutually even more helpful.

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For example, I believe that at the national level Blue Shield has been more helpful to the American Medical Association by presenting, in connection with Forand bill efforts in the Congress, parallel views but not views dictated by organized medicine, and therefore views that have weight as coming in from a little different angle.

I think in many ways we can show that medicine is concerned for the public interest not only in its purely professional activities, where of course we serve the public, but even in economic affairs where we sponsor and aid and guide organizations that act as stabilizing influences in this entire field of prepayment.

We do have to recognize, as I am sure the physicians of Michigan recognize perhaps as well as or better than any other group in the country, that prepayment is here to stay, that it has come to a point where it would be unthinkable that it might reverse its trend, that it might be displaced by anything less than a compulsory course in a different direction. And, therefore, we are all agreed, I know, that we must make this thing work—work in our interests while we work in the interests of the public.

The seventy-odd Blue Shield plans that now exist in this country conform, as I mentioned earlier, to a code of procedures, to standards of activity that bind them together as having more points of similarity than of difference; but they do still have their local autonomy.

We are good examples in Blue Shield, as you are in the medical profession, of retaining rights at the local level. The state societies in medicine, the Blue Shield plans in prepayment fields, have their own organizations, controls, and the national organization may not infringe upon them in any appreciable degree. Our infringements are friendly pressures due to the fact that we act as a clearinghouse of information, and due to the fact that we all know that our friends out there in some other state have our interests at heart as well as their own.

The real control in all Blue Shield is the conference of plans when they meet annually or upon special occasion if there is need to do so. In the interim, between plan meetings, activities are carried on by a Board of Directors of more than thirty men, two-thirds of whom must be physicians and the others may or may not be. Three of these Board members are designated for staggered terms of three years each by the American Medical Association.

Our relation to medicine, then, is a very close one. It is a controlling one. We can't exist without medicine, and we feel that medicine can't exist in its present form without us.

There are those of us who devote ourselves to Blue Shield as practicing physicians with exactly the same type of dedication that those who devote themselves to the organized activities of the professional organizations in medicine do, and we feel that both of those forms of dedication are noble and should be preserved by our profession.

Our plans have an interrelation, as I said. There is a complication to this thing which perhaps can be classically illustrated by the first excellent description of the web of life, which goes back more than 100 years to Darwin's *Origin of Species*, in which he called attention somewhat facetiously but with real meaning—meaning that has been brought out again recently in many articles not only on animal life but on human life—that these relations sometimes are rather difficult to see at a glance.

His illustration had to do with the fact that generosity of housewives in a section of England in feeding milk to their cats actually resulted in a reduction in the milk supply that the cows gave ultimately. It came about in this way:

As the cats were better protected at home and became indolent and didn't hunt for field mice, the mice increased in numbers, acting as natural enemies of a form of bumble bee. They decreased the bees, who

were the pollinating factors for a type of clover that was the principal feed for cows in that neighborhood.

As the cows had less feed because the cats were having more, the cows gave less milk, and the housewives were required to redeem their deviation from interference with the ways of nature. *(Laughter)*

I don't know whether Carson, Castellucci and I are the rats, bees and cats, but I know we are only one segment of that thing; and so we have not been able up to now to complete the solution to problems that had already been existent for some time in Michigan.

I appreciate the indulgence of the Speaker in leaving the gavel over here while I ramble on in this fashion, because this is the introduction to my report. I will skvo about in it, but will take enough time to emphasize the points because we feel that they are so very important; and they are important in a group of this kind because these things grew up not because of things that were done so much as because of how things were done. And so the report, then, goes in this fashion:

Responding to an official resolution adopted by the Executive Committee of The Council of the Michigan State Medical Society, representatives of Blue Shield Medical Care Plans have recently engaged in a series of meetings with groups representing the State Medical Society, the Wayne County Medical Society and Michigan Medical Service. These meetings were held to consider questions relating to the Blue Shield operation in Michigan.

On August 26, representatives of the National Association of Blue Shield Plans met with the Co-ordinating Committee on Studies of the Wayne County Medical Society. Following the meeting with this group, discussions were held the same day with the delegates and alternates of the Wayne County Medical Society.

The Blue Shield group attending these meetings included Dr. Russell Carson, Fort Lauderdale, Florida, Chairman of the Professional Relations Committee of our national organization; Mr. John W. Castellucci, Executive Vice President of the National organization of Blue Shield now, but formerly here in Michigan; and myself, practicing medicine in the District of Columbia but living in the State of Virginia and visiting where I am required on occasion from my practice to do this job that I say is a dedicated one for you, for me, and all the rest of us.

The purpose of our meeting was twofold: First, to discuss certain problems arising out of the development and administration of the M-75 contract; second, to offer our assistance in finding practical solutions to these problems conducive to the preservation of the interests of the public and profession alike.

We emphasized in these early efforts, as I would emphasize to you this morning, that we lay no claim to any special knowledge of how to settle these things within ourselves, but only hope that we can be a kind of catalyst that aids in communications among yourselves, for you will be the ones to settle the problems actually.

Following our meetings with representatives of the Wayne County Medical Society, we discussed at some length the background events leading to the development and the adoption of the M-75 contract, and we reviewed the structure of Plan administration in general and in relation to both the M-75 contract and to the general operation of the Blue Shield Plan.

These discussions were held with officers of the Plan and key executives and administrative personnel. In addition to these discussions we also reviewed in considerable detail minutes of the Board meetings that contained information essential to our complete understanding of the problems we were requested to consider and help resolve.

On Wednesday, September 9, our committee representing the National Association was invited to attend a meeting of the Board of Michigan Medical Service in Detroit, and discuss an even wider range of problems affecting the present operations of the Plan and its

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relationship with subscribers as well as with the medical profession.

Dr. Carson was unable to be present, but joined in the discussion of the results, and as a result of this meeting the Board of Michigan Medical Service requested that a formal and detailed study of the management, administration and corporate structure of Michigan Medical Service be undertaken by representatives of the National Association of Blue Shield Plans.

I wish to make it a matter of record in this report that we are prepared to undertake such a study, since this represents one of the services our National Organization is prepared to perform for its members at their request.

Since that time, we met yesterday with your Council and had a very pleasant luncheon meeting and yesterday afternoon late and last evening we met and talked with many of our friends here. We are sorry we could not talk with more, because we are convinced that for us three coming into Michigan the most important single thing we can do is to try to get the feel of the situation, of the attitudes that exist in this group especially, because we know that the honesty and straightforwardness of intent is such that we can't fail to find a solution if we can only bring these understandings together.

The development of specific study procedures and an outline of the necessary investigative program to be followed are necessary prerequisites to such an investigation. These preliminaries will take time to complete. Moreover, the study itself will require considerable investigation and a detailed evaluation of assembled facts before any final report and recommendations can or should be submitted.

However, I wish at this time to report certain preliminary observations and recommendations which among others should be considered in detail in connection with the proposed study.

1. It is our belief that an evaluation of the corporate structure of Michigan Medical Service must be made with a view toward defining more fully the nature of the relationship between Michigan Medical Service Board and the State Medical Society. The nature and extent of the responsibilities of the Michigan Medical Service Board appear to require clarification so that its authority in relation to that of the Medical Society will not conflict.

Along with this, the function of the organization, the structure and responsibility of all committees of Michigan Medical Service Board as well as those of the Medical Society concerned with Blue Shield affairs should be reviewed and, where indicated, the functions, composition and the authority of these committees should be modified in order to enhance their efficiency.

There is reason to believe at this time that the terms of Board members should be limited to specified periods of service, to provide for a reasonable turnover in Board membership, and thereby broaden the opportunity for participation by more physicians.

This point, we think, has been an important one in many areas, because as soon as a man becomes exposed to the needs of a board like this he becomes a statesman in medicine, a representative of the entire profession, and a representative of that profession in one of its best relations to the public.

We have seen many times men go on boards of Blue Shield as representative of pressure groups or minorities or those who feel that it should be changed around, and they quickly fit into the pattern of operation. They do this so well that I am thoroughly convinced that the best thing that can happen in general in any such situation is to get the man most disturbed about the Blue Shield Plan on the board, and he will become one of the best friends that Blue Shield can have.

I would like to say to physicians in my own area, where I can be somewhat blunt about it, that if there is anything in Blue Shield you don't like, it is more your fault than anybody else's, because you ought to get in there and help try to straighten it out.

When doctors have as a group in a locality the full control of their Blue Shield Plan, then they must of course operate it in a form that is in the public interest, and this we find they tend to do as soon as they have corporate responsibility of doing it.

From what is presently known about the recent problems confronting Michigan Medical Service, it appears that the matter of communication between the Plan and the Medical Society and between the Plan and physicians at large has not always been completely effective or informative.

In retrospect, for example, it appears that the insurance principles established by the House of Delegates in 1957 could have been implemented in a manner that would have been more widely acceptable by the profession. Instead, it appears that a series of unfortunate misunderstandings occurred, culminating in some genuine and sincere objections on the part of some physicians which reflected adversely on Blue Shield.

This is a long statement about a single subject, but it has to do with organization and continuing function, and it indicates the complexity of this problem; so, we are able to say only that we believe progress is being made, and much more should be made, and that this thing should be followed on this point very carefully by all of us.

2. The problems inherent in offering the M-75 contract exclusively on the basis of income certification seem to have been eliminated or reduced by the present practice of allowing subscriber groups a choice of contracts without the need to qualify for coverage on the basis of income certification, as had originally been the case.

In our discussion of this matter, we have developed a procedure which may prove to have practical value—of continuing to apply a form of income certification in the administration of contract offerings.

This of course, as you know, is a very difficult problem. If certification is to be made at the Plan level, there are severe limitations on how it may be made. If it is to be made at the physician-patient level, we have the much more traditional approach to decisions of this kind; and it is desirable certainly where so much precedent exists country-wide, and where there is now a definite precedent of a contrary nature in this area, that this be carefully studied, and that the changes made not be revolutionary and disturb the situation even more than it does.

So, as soon as we have had an opportunity to develop more fully the elements of this idea, to assess its practicability, it is our intention to propose it for consideration and application in a specific form.

3. Considerable controversy has centered around the method of providing payment to nonparticipating physicians. Paying the subscriber directly for services of nonparticipating physicians has been strenuously opposed as an unfair discrimination and punitive in its intent. It seems that this practice was not adopted as a means of penalizing the nonparticipating physician. The practice does draw a distinction between participating and nonparticipating physicians, and it should be recognized that failure to make any distinction would amount to a negation of the service principle.

To satisfy those who oppose the present practice of paying the subscriber only for services rendered by non-participating physicians, we would recommend that the Plan incorporate on its report forms a statement of assignment to be signed by the subscriber when payment is to be made directly to the nonparticipating physician.

We realize that this is a problem which is serious not because of theory involved in it but because of long-standing practice which was contrary to some of that very theory. But because of the tradition of doing things in a certain way, if at a time of tension and of difficulty or of confusion of thinking and attitude a change is made, it is perfectly possible for a change to be made in a direction which is entirely logical, and

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yet that change be one repugnant to many who might have supported the principle.

And so we are concerned to see this matter settled in a way so that payment will be made but that there is a theoretical authorization for it, and we do hope that the claim form which is already in existence can be the means of doing this with no inconvenience worth mentioning.

4. The question of income levels in relation to service contracts and the problems of determining accurately subscriber income and administering a service program represent two items of major concern to the Board of Michigan Medical Service, the medical profession and the community. We are not prepared in this preliminary report to suggest a specific income level as appropriate for the service contracts offered in Michigan. Obviously, this can be determined only on the basis of factual information relating to the actual level of family and individual incomes of wage-earning populations.

Nevertheless, since surveys indicate that the majority of physicians in Michigan support the service principle, it may be said in general that to achieve a service program the income level must be at a level high enough to assure and effectively provide service benefits to a majority of wage earners.

Placing income limit at a level that limits service to but a small percentage of wage earners is not in keeping with either the letter or the spirit of service concept.

A study of health insurance presently being conducted by the University of Michigan is expected to produce valuable information on income levels of Michigan residents, and in discussing this project with Professor Walter McNerney we have received assurance that data from the study can be applied in determining the extent to which present Blue Shield income levels are in keeping with prevailing income levels in Michigan. This data will be available in preliminary form in early 1960, and should be carefully studied before any effort is made to alter present service benefit income levels.

In the meantime, the widespread public acceptance of the coverage presently available would tend to suggest that the programs presently offered are reasonably related to the needs and incomes of Michigan residents. It is our recommendation, therefore, that the income levels of present Blue Shield contracts be maintained until their suitability can be accurately evaluated in the light of data such as that to be revealed in the University of Michigan study.

With reference to the problem of income certification through payroll records, there does not seem to be any practical alternative immediately available. The Plan could not determine and certify subscriber income through administrative methods now available, except at great expense; and even then the possibility of accuracy would be remote.

We have under consideration, then, a procedure that may prove to be suitable in establishing and verifying the subscriber's income to the satisfaction of physician and patient alike. Before recommending this procedure, we wish to have further time to refine it and consider its potential usefulness. We propose to report this procedure and recommend its application as soon as we feel it can be suitable and practical. But this, as you will recognize, is something that involves all the millions of subscribers in Michigan as well as the physicians, and we need to move carefully and be sure at every single point that we are right as we try to move out of the difficulty in which we find ourselves now. We think we have made some motion in that direction. We feel sure we can make more.

5. Because so-called national accounts represent an increasingly important source of subscribers to Blue Shield, and because the Federal Employee Health Benefits Act signed into law last week by the President represents a potential source of enrollment of real significance, it is imperative that we lose no time in getting 100 per cent Plan participation in our Blue Shield National Account Agreement. Therefore, we rec-

ommend that Michigan Medical Service adopt the National Account Agreement featuring a uniform scope of benefits under which service plans provide a \$6,000 family income level contract. The fee schedules are determined locally and are to be related to a \$6,000 income level for the area concerned.

It is imperative that we have the National Account program available for employees of the Federal Government. Michigan's participation is indispensable to us in this effort. We urge that the Board of Michigan Medical Service approve participation of the Plan in the National Account Agreement in addition to contracts that are currently in the offing.

I might add a word about the law. It requires that there be one government-wide service benefit program which is intended to describe the offering that now exists nationally in Blue Cross and Blue Shield. It will involve 5 million Americans, and it will involve them in a good basic program plus a major medical supplemental benefits addition, and therefore will be much the largest single National Account that is available for any negotiation.

We have a considerable leeway in Blue Cross and Blue Shield to adjust to local conditions. It has been made plain by our testimony over the last five years in both houses of Congress that we do operate at the local level with local fee schedules and local differences that are important to us. I think the thing which gives us greatest satisfaction in this present law is that against great opposition we have succeeded finally in getting a law which will enable us to retain the amount of local autonomy that we will have under it.

And so we urge Michigan to be a part of that national program, because we ourselves will have no option on certain features of uniformity, that is, the scope of benefits. We will not meddle in the local fee schedules and things of that kind, but we do have to have a uniform program or we will have no rights to take the plan, which cannot offer it, into this program.

6. To provide continuation of this study (the present one here) to a successful completion, we recommend that a special committee of the State Medical Society be appointed to co-operate with us. We believe that such a group will be very helpful in the discussions necessary to our study and in pointing out special problem areas for study that we might overlook otherwise.

In summarizing the six points, I might say that they seem to us to fall into three grades of achievement. We have some things that are already being done, that have come about because of discussion and efforts to settle certain problems such as the selling now of non-certified contracts to groups. We have, we think, a better liaison and understanding.

One of the things that has impressed us three visitors to your kind area has been that there is no question at all of the good will and the honest intent to do this thing in the best all-around interests. There are of course differences that exist, and there will continue to be. There are some physicians who honestly do not believe that prepayment is a good thing or that a service program is a good thing.

For purposes of this discussion, we have to limit ourselves to the physicians who do believe that Blue Shield is a desirable means of achieving an end, in the profession, and that a service benefit program of proper grade is an outstanding factor in achieving that end. We think that liaison is better than it has been, because we have seen such evidence of good will as I said.

The second grade of approach is the specific recommendations that we make in regard to assignment forms and to the National Account Agreement. These are things we believe can be done immediately—that they don't take study or communication, and that sort of thing.

Thirdly, there are some things that cannot be settled overnight or quickly. This is similar to the problem of shock. I have been pleased to lecture on this subject

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in a number of places, and to attempt to emphasize the point that it takes almost as long to get a patient out of shock, and careful watching, as it took to get him into it.

If we have him in difficulty for three or four hours, no matter whether his blood pressure and pulse and all the other signs we go by have come back to normal in fifteen or twenty minutes with massive blood replacement, we do have to watch him for a period of time, at least as long as it took him to get there.

I think we will have to watch this thing exactly as though we were bringing a patient out of shock. Because he looks good is no proof that he can't get into trouble again, and we must see to it that he does not get into trouble again. That is the purpose of the continuing committee, the study of the organizational structure and liaison, and the effort to improve that.

Finally, then, we wish to express our sincere appreciation for the courtesies that have been extended to us by the Board of Michigan Medical Service, by the representatives of the medical profession, and especially this distinguished House. We believe that the preliminary observations and suggestions presented in this report point the way to the solution of many of the important problems confronting Blue Shield and the medical profession in Michigan.

It is our desire to pursue this study of these problems still further, with a view toward the development of additional recommendations that will strengthen the corporate and management structure of Michigan Medical Service in the best interests of the public, of the profession, and of the Plan itself.

At your direction and with your assistance we propose to carry forward such a study as you have asked us to make, and it is our intention to present you with a detailed discussion and specific recommendations aimed at finding appropriate solutions to the additional problems presently affecting the operation and administration of Michigan Medical Service.

We respectfully submit this preliminary report in the sincere hope that it will be helpful and that we may continue to serve you to a truly good conclusion.

In connection with that conclusion, we call attention to a thing known to all of you—that was known in your student days and was taught me and us in medicine—that a physician may not withdraw from his profession, nor may his profession withdraw from the human race. The future of this profession depends upon our ability to balance economic and professional values. Let us see to it that no one of us is found wanting. (*Applause*)

THE SPEAKER: Thank you, Dr. Stubbs, for this very impressive presentation.

The speaker introduced Dr. Carson and Mr. Castellucci.

### XII—44. CONSTITUTION (ART. X, SEC. 1): ELECTION OF SECRETARY BY HOUSE OF DELEGATES

F. L. TROOST, M.D. [Ingham]:

"Whereas, The Council of the Michigan State Medical Society is empowered to act on behalf of the Society in the interim between sessions of the House of Delegates, and

"Whereas, each Council member should be elected by the delegates who are the elected representatives of the membership, and

"Whereas, the Secretary, who is a member of the Executive Committee of The Council, is elected by The Council; therefore, be it

"RESOLVED: That the Secretary be elected annually by the House of Delegates; and be it further

"RESOLVED: That Article X, Section 1 of the Constitution be amended by striking out after Secretary and Treasurer the following: ' . . . the last two being elected by the foregoing'; and be it further

"RESOLVED: That provisions of Article XII, Section

1 of the Constitution be implemented as provided." (Deferred for one year.)

THE SPEAKER: This resolution will be referred to the Reference Committee on Constitution and Bylaws.

### XII—45. CONSTITUTION (ART. X, SEC. 1): ELECTION OF TREASURER BY HOUSE OF DELEGATES

F. L. TROOST, M.D. [Ingham]:

"Whereas, The Council of the Michigan State Medical Society is empowered to act on behalf of the Society in the interim between sessions of the House of Delegates, and

"Whereas, each Council member should be elected by the delegates who are the elected representatives of the membership, and

"Whereas, the Treasurer, who is a member of the Executive Committee of The Council, is elected by The Council; therefore, be it

"RESOLVED: That the Treasurer be elected annually by the House of Delegates, and be it further

"RESOLVED: That Article X, Section 1 of the Constitution be amended by striking out after Secretary and Treasurer the following: ' . . . the last two being elected by the foregoing'; and be it further

"RESOLVED: That provisions of Article XII, Section 1 of the Constitution be implemented as provided." (Deferred for one year.)

THE SPEAKER: This resolution also will be referred to the Reference Committee on Constitution and Bylaws.

### XII—46. AAPS MEMBERSHIP

A. Z. ROGERS, M.D. [Wayne]:

"Whereas, intrusions into the private practice of medicine are constantly being attempted by various socialistic-minded individuals and powerfully organized groups, and

"Whereas, the socialized form of medicine is inferior to the private practice of medicine, and

"Whereas, an active united front by doctors is necessary to effectively oppose these well-organized attempts to overthrow the private practice of medicine, and

"Whereas, the American Association of Physicians and Surgeons is second only to the American Medical Association in active opposition to these threats, and

"Whereas, the aims and purposes of the American Association of Physicians and Surgeons have been approved by this House of Delegates; therefore, be it

"RESOLVED: That membership in the American Association of Physicians and Surgeons be encouraged."

THE SPEAKER: This will be referred to the Reference Committee on Miscellaneous Business.

### XII—47. BYLAWS AMENDMENTS RECOM- MENDED BY THE COUNCIL—(A) ELIMI- NATE CANCER CONTROL COMMITTEE

SECRETARY WILEY: These recommended changes in the Michigan State Medical Society Constitution and Bylaws are submitted by The Council:

Bylaws, Chapter 11, Section 3: Eliminate the "Committee on Cancer Control."

M. A. Darling, M.D., made this recommendation to the MSMS Executive Committee on The Council on November 19, 1958. His suggestion is the result of the MSMS Cancer Control Committee's functions being performed by the Michigan Cancer Co-ordinating Committee in recent years.

### XII—47(b). CHANGE NAME OF LEGISLATIVE COMMITTEE

Chapter 11, Section 1 (e): Changing the name "Committee on Legislation" to "Legal Affairs Committee," in line with a similar change made by other leading professional societies.

### XII—47(c). CHAPTER V, SEC 3—(e) ACTIVE MEMBERSHIP FOR (ARMED FORCES,) PHS AND VA OFFICERS

The recommendation of the AMA House of Delegates adopted in Minneapolis, December 2 to 5, 1958,

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"To provide a type of membership for the Armed Forces, Public Health Service and the Veterans Administration physicians which will enable them to become ACTIVE members of constituent associations of the AMA."

The MSMS Council approved this recommendation and referred it to the MSMS Committee on Constitution and Bylaws.

### XII-47(d). TO INCLUDE DEATH AS REASON FOR REFUND OF MSMS DUES

Chapter 4, Section 4 of the Bylaws be changed to include "death" as well as "resignation" as a reason for refund of State dues.

### XII-47(e). MEMBERSHIP ON MSMS ETHICS COMMITTEE

Chapter 11, Section 5, Bylaws. That the matter of the number of doctors to serve on the Ethics Committee be referred to the Committee on Constitution and Bylaws for clarification. (Also number of doctors to serve on Committee on Postgraduate Medical Education.)

### XII-47(f). ELECTION OF FOUR DELEGATES TO AMA IN ALTERNATE YEARS

Chapter 12, Section 1, Bylaws. Change the words "provided further that not more than three delegates to the AMA shall be elected in any one year." Now that MSMS is entitled to seven delegates, how can the Bylaws provision be accomplished? Isn't it necessary to elect three one year and four the next year?

### XII-47(g). TERMINOLOGY OF "MEETING" AND "SESSION"

Chapter 12, Section 3, Bylaws. The term "general session" is used instead of the correct term, "general meeting," as per Chapter 8. The session is the entire convention; the general meeting is the one in which the officers are installed. The words "general meeting" are used correctly in this same Section 2, three lines from the misuse of the phrase "general session."

This is further clarified in the Bylaws, Chapter 18, Section 1, which states, "A session shall mean all meetings at any one call."

Section 2 says, "A meeting shall mean each separate convention at any one session."

**THE SPEAKER:** Thank you, Dr. Wiley. These will be referred to the Reference Committee on Constitution and Bylaws.

## XV. REPORTS OF COMMITTEES OF HOUSE OF DELEGATES

### XV-1. PERMANENT ADVISORY COMMITTEE ON FEES

The report of the Permanent Advisory Committee on Fees is on page 97 of your Handbook. This report will be referred to the Reference Committee on Prepayment Insurance.

### XV-2. THE COMMITTEE ON COMMITTEES

G. B. SALTONSTALL, M.D. [Charlevoix]:

This Committee on Committees was created to study the Michigan State Medical Society's committee structure and to recommend reorganization that might result in more efficiency with less expense.

1. Last year the Committee on Committees recommended the following main categories for all MSMS committees:

- I. Medical Services
- II. Public Health and Public Agencies
- III. Public Policy
- IV. Medical Education
- V. Professional Welfare

This was approved by the 1958 House of Delegates.

2. In an attempt to spell out each committee's scope and functions, your Committee on Committees recommends that each committee be requested to work out such a statement during the 1959-1960 Society year,

with the drafts to be given study by The Council in July 1960, for report to next year's House of Delegates; then, desirable amendments to the Bylaws could be considered, to permit inclusion in the Bylaws, where indicated, of the written scope and function of committees. This would give better purpose to work of committees, clearly define their duties, and eliminate any duplication among them.

3. We recommend that each committee be invited to list its main projects for the year, to insure significant goals within its scope in every twelve-month period.

4. We recommend that the House of Delegates authorize the holding of a formal Committee Orientation Workshop annually in connection with the County Secretaries Conference in January. All committee chairmen would be invited. At this session, the philosophy and purposes of the Michigan State Medical Society plus its committee structure and duties would be outlined, and questions would be answered. Plot movies could be used to illustrate ideal committee work, and a brochure should be developed and distributed to help this effort. Annually on the agenda of this Conference would be a discussion on how better to departmentalize or amalgamate committees (which was the main purpose for creating the Committee on Committees).

5. Two subjects that the Committee on Committees is studying are:

(a) That a vice chairman be appointed to the major committees. He could serve during the absence of the chairman and, because of his experience, could be given consideration to head the committee when the chairman moves to a higher post.

(b) That a Councilor be appointed to serve as advisor to each MSMS committee where necessary or when requested.

6. The large and variegated work of the Michigan State Medical Society, run on a committee basis, stresses the need for many committees. However, your Committee on Committees feels that the above recommendations and suggestions, if executed, will tend to improve structural and organizational efficiency. Our annual appraisal also may help in cutting down the number of committees. Our desire is to achieve the most efficient committee organization throughout evolutionary means.

7. With the adoption of these recommendations, this Committee feels that the efficiency of committee organization will be improved. In the interest of intraprofessional relations, it also feels that broad-base participation of Society members is essential in order to assure that committee action reflects the views of the entire profession.

8. The final recommendation of your Committee on Committees is that it be dissolved.

Respectfully submitted,  
G. B. SALTONSTALL, M.D., *Chairman*  
M. A. DARLING, M.D.  
K. H. JOHNSON, M.D.  
A. E. SCHILLER, M.D.  
G. W. SLAGLE, M.D.  
D. BRUCE WILEY, M.D.

**THE SPEAKER:** I am going to refer this report to the Reference Committee on Officers' Reports.

### XV-3. STUDY COMMITTEE ON TERM OF COUNCILOR

On page 97 is the report of the Study Committee on Term of Councilor. This report will be referred to the Reference Committee on Reports of Special Committees.

There is also a committee that was supposed to report every three years on the financial structure of the Michigan State Medical Society. Dr. Engelke was Chairman of that Committee. Due to several circumstances, it was felt by the Chairman and by your Speaker (and the Committee itself was polled) that there was insufficient time and opportunity to complete this study and report at this session of the House. I have therefore asked that this Committee continue its study and report at the 1960 session of the House of Delegates. I hope that meets with your approval.

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**XV—4. MCIC STUDY ON ALTERNATE METHODS OF PAYMENT TO NON-PARTICIPATING PHYSICIANS**

M. L. LICHTER, M.D. [Wayne]: This is a report from the Medical Care Insurance Committee which was conducted in conjunction with Mr. Lester P. Dodd, legal counsel of MSMS. Mr. Dodd advised the Committee strictly on the legal matters pertaining to this subject, and the Committee certainly commends him for the invaluable assistance he rendered.

**Committee Report**

The study upon which this report is based was ordered by the House of Delegates in September 1958 when it approved substitute Resolution No. 8. The final clause states: "RESOLVED that a complete study of the alternate methods of payment for services rendered by nonparticipating physicians be undertaken by the Medical Care Insurance Committee of the Michigan State Medical Society in conjunction with legal counsel for Michigan State Medical Society, and that such study be diligently pursued; and that as soon as the Committee is able to submit its findings based upon such study, its findings and recommendations shall be submitted to the next regular or a special meeting of the House of Delegates called for that purpose."

Before proceeding to its study, the Committee was apprised of some of the background relating to the subject. It was pointed out that the House in its 1957 annual session approved the report of the Committee to Study Comprehensive Prepaid Insurance Plans. Its recommendation No. 2 stated "That Michigan Medical Service be urged to give consideration to the development of a means whereby the patient of a nonparticipating physician will be reimbursed by Michigan Medical Service an amount not to exceed the fee called for in the contract fee schedule, unless the patient directs otherwise." During the ensuing year an administrative procedure was developed in accordance with this recommendation. It was approved on three occasions by the Executive Committee of The Council of Michigan State Medical Society prior to its use in connection with the new Michigan Medical Service contracts.

The Committee was informed of the hearings at the 1958 session of the Reference Committee on Medical Service and Prepayment Insurance. Almost all of the discussion presented before this Committee dealt with the question of the nonparticipating physician. After careful attention to the viewpoints expressed, the Committee came to the conclusion that the proponents of the position of payment directly to nonparticipating physicians expressed three major misgivings. These are:

1. That the nonparticipating physician would not be paid the same fee as is paid to the participating physician.
2. That assignments would not be accepted by Michigan Medical Service.
3. That the problem would be forgotten and never studied.

The Reference Committee, recognizing that these were legitimate concerns, recommended that the House of Delegates allay any doubts with the language in the first "RESOLVED" in substitute Resolution No. 8. This portion is as follows:

1. "RESOLVED, that recompense for services rendered to a patient under Michigan Medical Service Contracts continue to be the same, whether the physician is participating or nonparticipating." This dealt with the first of the concerns expressed.
2. The resolution continues, "The participating physician will be paid directly by Michigan Medical Service. The nonparticipating physician will also be paid by Michigan Medical Service upon obtaining an assignment from his patient." This dealt with the second of the concerns which were expressed.

3. The third concern is dealt within that portion of the Resolution which ordered this study.

Preliminary to its detailed study of this problem the Medical Care Insurance Committee requested Lester P. Dodd, MSMS Legal Counsel, to analyze and comment upon the Act (Act 108 of the Public Acts of 1939) under which Michigan Medical Service is incorporated with particular reference to those provisions having a bearing on the problems related to methods of payment to doctors for medical care rendered to subscribers. Mr. Dodd's opinion rendered pursuant to this request was dated January 5, 1959, and reads as follows:

M. L. Lichter, M.D., Chairman  
Medical Care Insurance Committee  
Michigan State Medical Society  
2900 Oakwood  
Melvindale 25, Michigan

Dear Dr. Lichter:

At the request of the Committee, I have attempted to analyze and comment upon the Act (Act 108 of the Public Acts of 1939) under which Michigan Medical Service is incorporated with particular reference to those provisions which might have a bearing on the problems related to methods of payment to doctors for medical care rendered to subscribers:

Any analysis of the Act must, of course, start with a recognition of its basic nature and purposes as expressed in Section 1 of the Act as follows:

"It is the purpose and intent of this act, and the policy of the legislature, to promote a wider distribution of medical care and to maintain the standing and promote the progress of the science and art of medicine in this state."

Section 2 provides for the incorporation of non-profit corporations whose functions shall be "to provide medical care at the expense of the corporation . . . to subscribers to the plan under contracts which will entitle each such subscriber to definite medical and surgical care . . . by licensed and registered doctors of medicine." Other benefits may, from time to time, be added by the Corporation with the approval of the Insurance Commissioner. This section further stipulates that no contract shall provide for the payment of any cash or other material benefit to the subscriber or his estate on account of death, illness or injury. Thus, it is apparent that the basic obligation of a medical care Corporation, under its contract, is "to provide medical care." It does not and cannot agree to indemnify the subscriber for expense incurred by the subscriber in procuring medical care, (although I see nothing to prohibit its doing so voluntarily) but its obligation is the primary one of providing that care. True, the obligation is qualified in some respects in that the Corporation is required to provide medical care only through doctors of medicine who are licensed by the state and registered with the Corporation but it is essential to keep in mind constantly that the basic purpose of the Act is to "promote a wider distribution of medical care" and the basic contract obligation of the Corporation is "to provide medical care to the subscriber."

Consistent with the basic purposes of the Act and with the basic obligation of the Corporation to furnish medical care through registered or participating doctors of medicine, Section 10 provides:

"Each doctor of medicine, licensed and registered under Act No. 237 of the Public Acts of 1899, as amended, practicing legally in this state shall have the right to register with the Corporation for general or special medical care, as the case may be."

This Section of the Act when read with the provisions of Sections 1 and 2 makes it clear that although the basic contract obligation of the medical care Corporation is to provide medical care through participating doctors of medicine, the Corporation may not restrict participation among doctors of medicine but must, in the interest of promoting "a wide distribution of medical care," permit any licensed and lawfully practicing doctor

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of medicine in this state to register with it as a participant, although, obviously, no doctor of medicine can be forced to register or participate if he does not choose to do so.

Section 5 of the Act requires the Corporation to file its proposed contracts, prospectus and proposed advertising with the Insurance Commissioner. The Commissioner has the power to conduct investigations and if, in his opinion, the solicitation of contracts would work a fraud on the persons so solicited, he may *proscribe* applications. This section confers broad powers on the Insurance Commissioner and in practical effect, makes every contract and contract solicitation subject to the scrutiny of the Commissioner and charges him with the duty of making sure that the Corporation's contracts and solicitations are not only such as to comply technically with the provisions of the Act but are designed to carry out the expressed basic purposes.

Specifically, Section 5 charges the Insurance Commissioner with the duty of seeing to it that contracts and contract solicitations do not work a fraud on subscribers or those solicited. It seems reasonably obvious that since the primary contract obligation which the Corporation has a right to undertake is "to provide medical care" the Corporation must have the power and the capacity to fulfill that obligation. This it can have only by having sufficient commitments from doctors of medicine that they will render medical service in accordance with the agreed plan, in short, that they will "participate." Actually the Act uses the word "registered" rather than "participating" but the term is unimportant. What is important is that in order to obviate perpetrating a fraud on subscribers by selling a contract without the means of fulfilling it, the Corporation must have commitments from a sufficient number of doctors of medicine to enable it reasonably to furnish medical care to its subscribers whenever required. The Act does not fix any specific number or percentage of doctors of medicine but commits to the discretion of the Insurance Commissioner the duty of seeing to it that the Corporation writes no contract which it cannot reasonably expect to fulfill. Historically, I believe the participation of not less than fifty per cent of the licensed doctors of medicine of the state has been regarded as the minimum percentage sufficient to give reasonable guarantee of ability to perform. Certainly, in my opinion, any degree of participation less than fifty per cent would seriously, if not vitally, jeopardize the ability of the Corporation to fulfill its contract obligations.

It will thus be seen that "participation" by doctors of medicine is vital to the functioning of any Corporation organized under the Act and that any practices or methods of operation on the part of the Corporation which tend to jeopardize or discourage participation by doctors of medicine tends to jeopardize the entire program.

Certainly the Act when read in its entirety contemplates the widest possible participation by doctors of medicine. Not only is this manifest in provisions above referred to but is basic in the whole structure of the Act. Historically, the Act was passed at the instance of organized medicine in this state. Submission of the Act to the legislature and its subsequent passage constituted an offer and a pledge on the part of the medical profession of this state to widen the distribution of medical care in the interests of the public. A Corporation organized under the Act is declared charitable and benevolent in nature and is exempt from taxation on that basis. Section 8 of the Act provides:

"The Board of Directors of a non-profit medical care corporation shall have representation from the public and the medical profession of the state; provided, that a majority of the directors shall be at all times persons approved by the officers of the medical profession duly organized to promote statewide the science and art of medicine."

It is therefore abundantly clear that the widest possible participation on the part of doctors of medicine

is vital, not only to the legal validity of contracts entered into by the medical care Corporation, but is equally vital to the good faith performance on the part of organized medicine, of the obligations which are imposed upon it under the Act for which it was responsible.

Turning then to the matter of the mechanics of payments for services rendered to subscribers for which the Corporation is obligated, it will be found that the Act is completely silent on this point except for the provision in Section 2 which reads:

"No contract by or on behalf of any non-profit medical care corporation shall provide for the payment of any cash or other material benefit by that corporation to the subscriber or his estate on account of death, illness or injury, . . . ."

Since that provision has been the subject of considerable comment and debate and, I may add, misunderstanding, I express my views on it as follows: The primary purpose of that provision is to make clear that the medical care Corporation sells a "service" contract and not an "indemnity" or "insurance" contract. It will be noted that the provision does not *prohibit* the Corporation making a cash payment to its subscriber but does prohibit its *contracting* to "pay cash benefits" in lieu of providing medical care.

In my opinion and in the opinion of Counsel for Michigan Medical Service, reimbursement for expense incurred by a subscriber in obtaining medical service from a nonparticipating doctor is not a "cash benefit on account of death, illness or injury" and, while the subscriber may not be entitled to demand such cash reimbursement, its voluntary payment by the medical care Corporation is not prohibited by the Act.

In short, the quoted provision is one intended for the protection of the subscriber and not for the benefit of the Corporation or for the benefit of doctors.

It will also be found that the Act is completely silent with respect to the manner in which doctors will be paid. It is, of course, logical that this should be so since the Act throughout contemplates only the rendering of services by participating doctors under participating contracts to be made between them and the medical care Corporation. The doctor, whether participating or nonparticipating, is not a party to a medical service contract and has no rights under it. The right of any doctor to be paid directly by the medical care Corporation derives solely from his participation contract with the Corporation and not from the subscriber's contract. Any payment made therefore by the medical care Corporation to a nonparticipating doctor is necessarily made as a matter of grace and not of right.

Historically, and because of the basic concept of service to the subscriber, Michigan Medical Service has made service benefits available to the subscriber over and above its strict contract obligation. This has been done by way of grace reimbursement to the subscriber who has incurred expense in procuring medical care from others than participating doctors as well as by grace payments directly to nonparticipating doctors. I am of the opinion that nothing in the Act expressly prohibits such direct payments but that they can be made properly only in such manner and to such extent as will insure against the perpetration of fraud on the public through

- (a) impairment of the degree of participation necessary to enable Michigan Medical Service to fulfill its contract commitments, and
- (b) false or misleading advertisements and representations in contract solicitations by reason of concealment from subscribers of the effect of such payments.

Very truly yours,  
LESTER P. DODD, Legal Counsel

1604 Dime Building  
Detroit 26, Michigan

SEC. 2, JMSMS

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This study assignment was given detailed consideration at the several meetings of the Medical Care Insurance Committee during the winter and spring. On June 22, 1959, the Committee sent a letter, together with a copy of legal counsel's opinion, to the president and secretary of each component county society asking for proposals or suggestions.

Despite this request and the widespread interest evidenced in the consideration of this question at the 1958 meeting of the House of Delegates, only six replies were received.

At the request of the committee, management of Michigan Medical Service prepared a statement summarizing its contract offerings and commitments in this connection.

The Committee further devoted the major portion of its meetings on July 15 and 16, 1959, to the consideration of this problem and to a detailed discussion and analysis of every proposed alternate method of payment developed during its study.

### Criteria Used

Early in its study, the Committee developed the following set of criteria against which every proposed method of payment could be tested. The criteria used are not inventions of the Committee but are, in each case, based upon statements or principles heretofore adopted by the House of Delegates.

1. Is the proposed method of payment consistent with the "service" principle?
2. Does the proposed method of payment tend to insure such degree of doctor participation as will guarantee the ability of Michigan Medical Service to perform its "service" contracts?
3. Is the proposed method of payment consistent with the good faith performance on the part of The Michigan State Medical Society of its obligation "to promote a wider distribution of medical care"?
4. Does the proposed method of payment adequately protect the subscriber against unknown and unexpected charges in excess of the service benefit to which he is entitled?
5. Does the proposed method of payment guard against an unwarranted "discrimination" between doctors or create "classes" of doctors?
6. Is the proposed method of payment consistent with the intent, purposes and express provisions of the Act under which Michigan Medical Service is incorporated?
7. Will the proposed method of payment jeopardize the good faith honoring of existing contracts, contract representations and solicitations made by Michigan Medical Service based upon principles adopted and made public by Michigan State Medical Society?

### Proposed Methods of Payment Studied by the Committee

Every method of payment that has been proposed or that has come to the attention of the Committee is set forth and commented upon, as follows. The Committee has weighed each of these proposals and has attempted to evaluate each in the light of the criteria set forth above. The sequence in which they are set forth and discussed is to be given no significance.

*Proposal A—Payment to be made to participating doctors only.*—Although, in the opinion of legal counsel and of the Committee, this proposed method of payment would be consistent with the letter of Act 108, the Committee feels that it is open to the following valid objections:

1. It would tend to conflict with the basic principle of "freedom of choice" of physicians by the subscriber.
2. It would conflict with the basic obligation of the Michigan State Medical Society to "promote a wider distribution of medical care," and,
3. In the opinion of legal counsel, it would necessarily

require the publication of lists of participating doctors, which practice has been specifically disapproved by the House of Delegates. (See Resolution, P. 51, Digest of Proceedings of House of Delegates for 1959.)

The Committee feels, therefore, that Proposal A would conflict with Criteria 3 and 5 and must be disapproved.

*Proposal B—Payment to be made to the participating doctor of the full scheduled fee and payment to be made to the nonparticipating doctor of a lesser designated percentage of the scheduled fee.*—The Committee finds it conceivable that this payment practice could be followed. However, the Committee does not favor adoption of this proposal because:

1. It would, in all probability, work hardship on subscribers since nonparticipating doctors would, in many cases, bill the subscriber directly for an amount which would result in a net increase in cost to the subscriber and in depriving the subscriber of full "service" benefits.
2. It would cast unfavorable reflection upon the nonparticipating doctor and would, in a real sense, tend to create "classes" of doctors.

The Committee feels, therefore, that Proposal B would conflict with Criteria 3, 4, 5, and 6 and must be disapproved.

*Proposal C—Payment to be made to the participating doctor directly in all cases and to be made directly to the nonparticipating doctor (A) only if at the time of filing the service report he agrees to accept the scheduled fee as payment in full for his services and (B) only if and while the percentage of participation remains at or above a specified level.*—This proposal appears at first glance to have a certain degree of merit. The Committee feels, however, that it cannot recommend it for the following reasons:

1. It would tend to reduce the desire to participate and, hence, would tend to reduce participation below the point where service could be assured.
2. It would result in adverse and undesirable public relations because of the great likelihood of misunderstandings between doctor and patient.
3. It would impose upon Michigan Medical Service almost insoluble administrative problems.

The Committee feels, therefore, that Proposal C would conflict with Criteria 2, 3, 4, 6 and 7 and must therefore be disapproved.

*Proposal D—Payment to be made directly to participating and nonparticipating doctors without distinction upon and after the publication of lists of participating doctors and the dissemination of appropriate information to subscribers apprising them that they may be subject to additional charges from nonparticipating doctors.*—Again, although in the opinion of legal counsel and of the Committee this proposed method of payment would be in accord with the strict letter of the Act, it is open to valid practical objections. Principally these are:

1. The publication of lists of participating doctors has been disapproved by the House of Delegates as above set forth.
2. The dissemination of the type of information necessary to protect the subscriber might be interpreted as a "warning" against the nonparticipating doctor and thereby tend to weaken the confidence and esteem in which the profession is held by the public as well as to create friction and dissension within the profession.

The Committee feels, therefore, that Proposal D would conflict with Criteria 3 and 5, and must therefore be disapproved.

*Proposal E—Payment to be made directly to participating and nonparticipating doctors without distinction, without the publication of lists of participating doctors*

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*and without the dissemination of appropriate information to subscribers.*—The Committee is fully conscious of the fact that many members of the Society feel strongly and sincerely that this proposed method of payment should be adopted. It is with genuine regret, therefore, that the Committee feels that it must recommend against it for the following reasons:

1. It would place a premium on nonparticipation by giving the nonparticipating doctor all of the advantages and none of the restrictions of participation and would thereby:
  - (a) tend to impair the maintenance of the degree of participation necessary to insure the ability to furnish service to the subscriber, and,
  - (b) place the participating doctor in a class secondary to the nonparticipating doctor.
2. It would be unfair to subscribers entitled to full service benefits to make all payments directly and at the same time withhold from subscribers information necessary for them to have in order to obtain full "service" benefits. In the opinion of the Committee and of legal counsel, this practice would:
  - (a) be violative of the intent and purpose of the Act under which Michigan Medical Service is organized;
  - (b) lower the esteem in which the medical profession is held by the public,
  - (c) be inconsistent with the principle of the "service" contract,
  - (d) be inconsistent with the good faith performance by Michigan State Medical Society of its obligation to "promote a wider distribution of medical care," and,
  - (e) would vitally impair the ability of Michigan Medical Service to honor existing contracts and commitments and to fulfill good faith offerings.

The Committee feels, therefore, that Proposal E would conflict with each of the Criteria above set forth and must be disapproved.

### Recommendations

Having conscientiously canvassed and studied all suggested alternatives, the Committee is of the unanimous opinion that it must recommend continuance of the present policy of making payment to nonparticipating doctors only upon assignment from the subscriber.

This method alone appears to meet all of the criteria against which all suggested alternatives have been tested.

1. The present method is consistent with the "service" principle.
2. The present method encourages but does not coerce participation. This factor is of vital significance since, as has been pointed out in legal counsel's opinion,—"participation by doctors of medicine is vital . . . and any practices or methods of operation . . . which tend to jeopardize or discourage participation . . . tend to jeopardize the entire program. . . . It is therefore abundantly clear that the widest possible participation on the part of doctors of medicine is vital, not only to the legal validity of contracts entered into by the medical care corporation, but is equally vital to the good faith performance on the part of organized medicine, of the obligations which are imposed upon it under the Act for which it was responsible."
3. The present method is consistent with good faith performance on the part of the Michigan State Medical Society of its obligation "to promote a wider distribution of medical care" by providing "service" benefits rather than "indemnity" benefits. As has also been pointed out in legal counsel's opinion, the Act under which Michigan Medical Service was created was the handiwork of the Michigan State Medical Society and by the terms of the Act the responsibility for maintaining par-

ticipation, widening benefits and furnishing "services" at the price contracted for is directly upon the Society.

The conclusion seems inescapable, therefore, that any method of payment which fails to protect a subscriber's right to receive full service benefits must reflect unfavorably upon the good faith performance of the obligation which the Michigan State Medical Society has assumed.

4. The present method affords a measure of protection to the subscriber against unknown and unexpected charges in excess of the service benefit to which he is entitled.

The Committee is of the opinion that such protection must be afforded the subscriber not only because it is one of the moral obligations owed by the Michigan State Medical Society but also because, in the opinion of legal counsel, it is a legal obligation.

5. The present method of payment does not imply an unwarranted "discrimination" between participating and nonparticipating doctors, nor does it place nonparticipating doctors in an inferior "class."

The Committee is cognizant of the fact that strong feeling exists on the subject of so-called "discrimination" and "creation of classes of doctors." It believes, however, that such feeling results largely from a failure to recognize the basic concept of the "service" contract. As is pointed out in legal counsel's opinion,—there is a necessary "distinction" between participating and nonparticipating doctors. In order to function at all, the Medical Service Corporation must have participating doctors. All doctors have a right to participate. Nonparticipating doctors, however, by their own choice, maintain a status distinct from their participating colleagues. Participating doctors are bound to accept scheduled fees. Distinct therefrom, by their own choice, nonparticipating doctors assume no such responsibility.

Distinction, however, does not mean or imply "discrimination." If it did, then participating doctors would be discriminated against in that they are obligated to accept fixed fees, whereas nonparticipating doctors are free to charge what they choose.

6. The present method of payment is consistent with the intent, purposes and provisions of the Act under which Michigan Medical Service was organized. (See legal opinion preceding.)

7. Any alteration of the present method of payment which would remove all distinction between participating and nonparticipating doctors without otherwise safeguarding the right of the subscriber to receive full service benefits would necessarily jeopardize the honoring of existing contracts, representations and solicitations which have been made in good faith by Michigan Medical Service based upon principles adopted and made public by the Michigan State Medical Society.

### MEDICAL CARE INSURANCE COMMITTEE MICHIGAN STATE MEDICAL SOCIETY

M. L. LICHTER, M.D., (Chairman)  
J. J. LIGHTBODY, M.D.  
J. W. LOGIE, M.D.  
R. L. MAINWARING, M.D.  
D. G. PIKE, M.D.  
F. C. RYAN, M.D.  
W. F. STRONG, M.D.

### Report on Alternative Methods of Payment to Nonparticipating Physicians

#### Attachments:

Exhibit 1—Copy of Letter Sent by MCIC to Presidents and Secretaries of Component Medical Societies.

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**Exhibit 2**—Statement from Michigan Medical Service about Its Contract Offerings and Commitments.

**Exhibit 3**—Scoring Sheet on Criterion and Alternative Proposals.

**Exhibit 4**—Copy of Michigan Medical Service Enabling Act.

### Exhibit 1

June 22, 1959

To Presidents and Secretaries of Every County Medical Society:

We are asking your help in a task assigned to the MSMS Medical Care Insurance Committee by the 1958 House of Delegates.

During the past months we have been studying possible alternative methods of paying physicians under M-75. The results are to be presented to the 1959 House of Delegates.

You and the members of your Society can materially aid our study by presenting any proposals and suggestions you may have to our Committee.

We would appreciate receiving these by July 10 so that they can be studied at our forthcoming meeting of July 15. However, proposals received after that date will be considered. These should be in writing so that they can be given thorough and detailed consideration.

It may be helpful to you and your Society to have the enclosed copy of legal opinion prepared by MSMS Legal Counsel Lester P. Dodd. Additional copies may be obtained by writing MSMS headquarters, Box 539, Lansing 3.

We realize that some individuals may wish to appear before the MCIC to explain their written proposals. If so, we would welcome their advice. Write me, so a meeting date can be arranged.

During the summer, we appreciate that it may not be possible for you to announce our Committee's request at a regular Society meeting, but we urge that you relay our request for advice through personal contact, staff meetings or other means at your disposal.

The MCIC wishes and will welcome the broadest possible expression of views on this important matter and sincerely appreciates your assistance.

Cordially,

MAX L. LICHTER, M.D., *Chairman*  
*Medical Care Insurance Committee*

### Exhibit 2

To: Medical Care Insurance Committee, Michigan State Medical Society

From: L. GORDON GOODRICH, *Vice President and General Manager, Michigan Medical Service*

### PAYMENT FOR SERVICES AS A MARKET CONSIDERATION

Numerous considerations have bearing on the manner of payment from Michigan Medical Service to physicians. We will herein document merely the market considerations.

Successful public relations on the part of the medical profession and on the part of a prepayment agency are largely based on understanding, each of the other. Compared to the general public, the medical profession and MMS are relatively well organized and, therefore, much more capable of understanding within their own ranks. In addition to the gross education required to develop public understanding, there is a public aversion to the reading and understanding of insurance type contracts. Public understanding, faith, and trust, therefore, must be developed through a combination of documents and deeds.

In the prepayment field we are fulfilling a need for financial security, which means that in the tripartite relationship, our common interest is understanding of the financial aspects of that relationship. In this area

the best means of achieving understanding is through financial predictability. Our stock-in-trade, "service contracts," furnishes the greatest degree of financial predictability, which is the principal reason for the outstanding success of MMS. M-75 is predicated on service at income levels reaching approximately 80% of the state's population. The percentage of doctors participating in service through the Michigan State Medical Society is nearing this same percentage. Thus, the service aspect predominates and the subscriber patient can, in most cases, predict the financial outcome of his experience.

Prior to M-75, studies and reports indicated that we had reached a point where service was a minor factor. In many instances, the service prospects of the patient were not introduced by the patient or the doctor prior to treatment. After treatment the patient received an additional charge over and above the MMS fee in a majority of instances. We found, also, that the subscriber patient was not prone to inquire or complain to his doctor, but merely lost faith in the system and sometimes complained to other agencies. At this stage in history enrolled public distinguished very little between participating and nonparticipating doctors, but their feelings were strong in favor of the return of service.

There was strong sentiment and requests for the publishing of lists of participating doctors in order that subscribers might be enlightened and enabled to secure the service due them under their contracts. Michigan Medical Service does not publish lists of participating doctors. There also existed strong sentiment toward the purchase of low level indemnity surgical and medical fee schedules as a means of some financial control to the subscriber and to curb inflation that did not include added benefits and security.

Most frequently, subscriber patients received a billing "for professional services." Our switchboard and mail were busy with questions of whether the doctor had been billed and paid the Blue Shield fee. We had reached a dangerously low ebb in the area of predictability. The market was sorely in need of reassurance that private industry and medicine would restore service and predictability.

M-75 was that reassurance. The new income limits restored the 80% coverage level and certification of income offered promise of restoring the maximum application of service as originally planned in 1939. Employers were reluctant to add the extra administrative burden of income certification, but offered little resistance when shown that this effort was in exchange for predictability by facilitating service. Both industry and labor indicated many reservations about M-75 such as its added cost, the existence of deductibles, increased fee schedules and others, but were willing to offset those reservations with the promise of the service and predictability potential of M-75. The record will show that major industry and major labor have held their fire and have supported the "certified" M-75 unreservedly. Smaller industry and labor are coming around as quickly as they gain the same degree of understanding and faith in M-75.

At the time M-75 was sold to the Big 3 automobile companies, the changed method of payment in non-participating cases was specifically discussed, met with their favor and was committed. This was also the case with the UAW except they were more expressive about it. As we have sold or converted other groups to M-75 we have advised them that along with the more efficient "certification" method, we have changed the payment method to eliminate subscriber misunderstanding. It is of importance that the plan and medicine honor commitments made to employers and subscribers or their representative.

Since the change in procedure we have mailed with the check to some 100,000 subscribers the enclosed explanation. This means that precedent has been spread to a sizeable portion of our enrollment at the subscriber level. Even though it is possible to send bulletins to

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groups amending procedure, it is virtually impossible to so announce changes to subscribers except at times when there is adequate change to warrant costly distribution of material to all subscribers. Group heads generally resist such efforts since the burden and expense rest largely on them.

The great service advances in M-75, however, make the distinction between participating doctor care and nonparticipating doctor care financially significant. To satisfy industry and labor that there would be adequate predictability, it was necessary for the new program to contain mechanical devices which would remind subscriber patients, at the earliest possible opportunity, that the service obligation did not exist because a nonparticipating physician had furnished the care. We found that in the immediate past (prior to M-75), the patient in most instances had not been made aware of this distinction until he made inquiry about the "for professional services" billing he had received. At this point he suddenly and usually unexpectedly became aware that he owed additional money to the doctor. On learning that the payment had been sent directly to the non-participating doctor he questioned the procedure since there existed no obligation to the doctor or service advantage to the patient but rather, he learned, that it was "his" relationship when a nonparticipating doctor was utilized not one between the doctor and the plan. We were then accused of operating the plan lopsidedly in favor of the doctors rather than on the tripartite basis.

Therefore, it became necessary in M-75 to employ the one means available to the prepayment agency to clarify the subscribers' status at the earliest point possible, to distinguish in the method of payment of the fee.

Mailing of the payment to the patient in the absence of an assignment not only advises him of his financial status at the earliest date available to MMS, but also provides opportunity for the patient to discuss the financial aspects of his case with the doctor, permitting the patient to gain understanding of any additional charge and of the operation of the Class II coverages and deductibles. The execution of an assignment generally assures the same understanding.

With this assurance of predictability, we were able to satisfy our buyers that subscribers would have every possible opportunity to understand their financial status. As a result, many pressures including those for participating doctor lists have lessened, particularly in areas where participation is good.

The fact that we've had a relatively quiet and cooperative market in the past year is largely due to the fulfillment of our obligations and assurances that were made as M-75 developed. These were considered by the market as covering the minimum essentials, especially as compared with other promised alternatives. There is very real evidence that any apparent backsiding will bring forth expression of all sorts of market resentments. We are barely able to hold the line on the cost aspect alone. We've gained much credit for what has been accomplished and much of that credit is in anticipation of further progress in the market interest. Even status quo is extremely dangerous.

People all through the country are regarding M-75 as medicine's understanding and answer to the public need. We are much more than a noble local experiment.

MICHIGAN MEDICAL SERVICE  
CHECK TRANSMITTAL TO SUBSCRIBER

This check covers Michigan Medical Service benefits as reported by your doctor. The doctor's entire charge for his services is your responsibility.

Exhibit 3

Criterion	PROPOSAL					
	A	B	C	D	E	F
1	YES	YES	YES	YES	NO	YES
2	YES	YES	NO	YES	NO	YES
3	NO	NO	NO	NO	NO	YES
4	YES	NO	NO	YES	NO	YES
5	NO	NO	YES	NO	NO	YES
6	YES	NO	NO	YES	NO	YES
7	YES	YES	NO	YES	NO	YES

Exhibit 4

ENABLING ACT\*  
(M.P.A. 108-1939)

AN ACT to provide for and to regulate the incorporation of non-profit medical care corporations; to provide for the supervision and regulation of such corporations by the state commissioner of insurance; and to prescribe penalties for the violation of the provisions of this act.

The People of the State of Michigan enact:

*Section 1.* It is the purpose and intent of this act, and the policy of the legislature, to promote a wider distribution of medical care and to maintain the standing and promote the progress of the science and art of medicine in this state.

*Section 2.* Any number of persons not less than 7, all of whom shall be residents of the State of Michigan, may form a corporation, under and in conformity with the provisions of this act, for the purpose of establishing, maintaining and operating a voluntary non-profit medical care plan, whereby medical care is provided at the expense of such corporation to such persons or groups of persons as shall become subscribers to such plan, under contracts which will entitle each such subscriber to definite medical and surgical care, appliances and supplies, by licensed and registered doctors of medicine in their offices, in hospitals, and in the home. Such other benefits may be added from time to time as the corporation may determine, with the approval of the commissioner of insurance. No contract by or on behalf of any non-profit medical care corporation shall provide for the payment of any cash or other material benefit by that corporation to the subscriber or his estate on account of death, illness or injury, nor be in any way related to the payment of any such benefit by any other agency. Medical care shall not be considered to include hospital service.

Any such non-profit medical care corporation shall be subject to regulation and supervision by the commissioner of insurance as hereinafter provided. Any such non-profit medical care corporation shall not be subject to the laws of this state with respect to insurance corporations or with respect to corporations except as provided in this act governed by the corporation laws, and no non-profit medical care corporation may be incorporated in this state except under and in accordance with the provisions of this act; provided, however, that the provisions of sections 117 to 132 inclusive, of Act No. 327 of the Public Acts of 1931, as amended, and as hereafter amended, shall be applicable to all corporations formed under or governed by this act, except as herein otherwise specifically provided.

*Section 3.* The persons so associating shall subscribe to articles of association which shall contain:

First, the names of the associates, and their places of residence;

Second, the location of the principal office for the transaction of business in this state;

Third, the name by which the corporation shall be known, such name not to include the words insurance, casualty, surety, health and accident, mutual or other words descriptive of the insurance or surety business, and

\*Michigan Medical Service is incorporated under this Act.

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such name shall not be sufficiently similar to that of any insurance or surety company doing business in this or other states at the time of incorporation, to tend to create confusion in identity therewith, in the judgment of the commissioner of insurance;

Fourth, the purposes of the corporation;

Fifth, the term of existence of the corporation, which shall be for 30 years, or any multiple of 30 years, or in perpetuity;

Sixth, the time for the holding of the annual meeting of the corporation;

Seventh, any terms and conditions of membership therein which the incorporators may have agreed upon, and which they may deem it important to have set forth in said articles;

Eighth, any other terms and conditions, not inconsistent with the provisions of this act, necessary for the conduct of the affairs of the corporation.

**Section 4.** Such articles shall be acknowledged by the persons signing the same before some officer of this state authorized to take acknowledgments of deeds, who shall append thereto his certificate of acknowledgment. All such articles shall be in triplicate and upon proper forms as prescribed by the commissioner of insurance. Before said articles of association shall be effective for any purpose, the same shall be submitted to the attorney general for his examination, and if found by him to be in compliance with this act, he shall so certify to the commissioner of insurance. Each corporation shall pay to the commissioner of insurance a filing fee for its articles of association, or any amendments thereto, the sum of \$10.00. Such fees shall be covered into the state treasury for the benefit of the general fund.

Any corporation subject to the provisions of this act may, in its discretion, with the approval of the commissioner of insurance, and in the manner provided in its articles, amend its articles of association in any manner not inconsistent with the provisions of this act.

**Section 5.** The persons so associating, before entering into any contracts or securing any applications of subscribers, shall file in the office of the commissioner of insurance, together with triplicate copies of the said articles of association with the certificate of the attorney general annexed thereto, a statement showing in full detail the plan upon which it proposes to transact business, a copy of by-laws, a copy of contracts to be issued to subscribers, a copy of its prospectus, and proposed advertising to be used in the solicitation of contracts of subscribers. The commissioner of insurance shall examine the statements and documents so presented to him by the persons so associating, and shall have the power to conduct any investigation which he may deem necessary, and to hear such incorporators, and to examine under oath any persons interested or connected with the said proposed corporation. If, in the opinion of the commissioner of insurance, the incorporation or solicitation of contracts would work a fraud upon the persons so solicited, he shall have authority to refuse to license the said corporation to proceed in the organization and promotion of the association. If, upon examination of the said articles of association, the documents and instruments above mentioned, and such further investigation as the commissioner of insurance shall make, he is satisfied that (a) the solicitation of subscriptions would not work a fraud upon the persons so solicited; (b) the rates to be charged and the benefits to be provided are fair and reasonable; (c) the amount of money actually available for working capital is sufficient to carry all acquisition costs and operating expenses for a reasonable period of time from the date of issuance of the certificate of authority, and is not less than the sum of \$10,000.00; (d) the amounts contributed as the working capital of the corporation are repayable only out of surplus earnings of such corporation, and (e) adequate and reasonable reserves to insure the maturity of the contracts are provided, he shall return to such incorporators one copy of such articles of association, certified for filing with the county clerk of the county in which said corporation pro-

poses to maintain its principal business office, and 1 copy to be certified by the commissioner of insurance for the records of the corporation itself, and shall retain 1 copy for his office files, and he shall deliver to such corporation a certificate of authority to commence business and issue contracts entitling subscribers to definite medical and surgical care, which contracts have been approved by him.

The said commissioner of insurance shall have power and authority, at any time to revoke, after reasonable notice and hearing, any certificate, order or consent made by him to the said corporation, to proscribe applications for membership, upon being satisfied that the further solicitation of subscribers will work a fraud upon the persons so solicited, and he shall have authority to make such investigation from time to time as he may deem best, and grant hearings to such incorporators in their relation thereto. The commissioner of insurance shall have the same authority in respect to taking over and/or liquidating corporations formed and/or doing business under this act as is provided by chapter 3 of part 1 of Act No. 256 of Public Acts of 1917, as amended.

Any dissolution or liquidation of a corporation subject to the provisions of this act shall be conducted under the supervision of the commissioner of insurance, who shall have all power with respect thereto granted to him under the provisions of law with respect to the dissolution and liquidation of insurance companies.

**Section 6.** The commissioner of insurance, or any deputy or examiner or any other person whom he shall appoint, shall have the power of visitation and examination into the affairs of such corporation and free access to all of the books, papers and documents that relate to the business of the corporation, and may summon and qualify witnesses under oath, to examine its officers, agents or employees or any other persons having knowledge of the affairs, transactions and conditions of the corporation. The per diem, traveling and other necessary expenses in connection therewith shall be paid by the corporation.

**Section 7.** Each such corporation shall annually on or before the first day of March of each year file in the office of the commissioner of insurance a sworn statement verified by at least 2 of the principal officers of said corporation showing its condition on the thirty-first day of December, then next preceding, which shall be in such form and shall contain such matters as the commissioner of insurance shall prescribe. In case any such corporation shall fail to file any such annual statement as herein required, the said commissioner of insurance shall be authorized and empowered to suspend the certificate of authority issued to such corporation until such statement shall be properly filed.

**Section 8.** The board of directors of a non-profit medical care corporation shall have representation from the public and the medical profession of the state: Provided, that a majority of the directors shall be at all times persons approved by the officers of the medical profession duly organized to promote state-wide the science and art of medicine.

**Section 9.** A medical care corporation may, in its discretion, by its articles of association or its by-laws limit the benefits that it will furnish, and may divide such benefits as it elects to furnish into classes or kinds. In the absence of any such limitation or division of service, a non-profit medical care corporation shall be authorized to provide both general and special medical and surgical care benefits, including such service as may be necessarily incident to such medical care. A medical care corporation may, in its discretion, limit the issuance of contracts to residents of counties as specified by the by-laws.

**Section 10.** Each doctor of medicine, licensed and registered under Act No. 237 of the Public Acts of 1899, as amended, practicing legally in this state shall have the right to register with the corporation for general or special medical care, as the case may be. A non-profit

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medical care corporation shall impose no restrictions on the doctors of medicine who treat its subscribers as to methods of diagnosis or treatment. The private physician-patient relationship shall be maintained and the subscriber shall at all times have free choice of doctor of medicine. Any employee, agent, officer or member of the board of directors of any such corporation who shall influence or attempt to influence any person in the choosing and selecting of his own physician, shall be guilty of a misdemeanor, and upon conviction, thereof shall be punished as provided by the laws of this state.

**Section 11.** A non-profit medical care corporation shall, before beginning business, and at all times thereafter while engaged in business, maintain reserves in such form and amount as the commissioner of insurance may determine: Provided, that the funds of any such corporation shall be invested only in securities permitted by the laws of this state for the investment of assets of life insurance companies.

**Section 12.** All medical care rendered on behalf of a non-profit medical care corporation shall be in accordance with the accepted medical practice in the community at all times.

A non-profit medical care corporation shall not furnish medical care otherwise than through doctors of medicine, licensed and registered under Act No. 237 of the Public Acts of 1899, as amended.

**Section 13.** Each non-profit medical care corporation may, in its discretion, receive and accept from governmental agencies payment covering all or part of the cost of subscriptions to provide medical care for needy persons. Each non-profit medical care corporation may in its discretion receive and accept from private agencies, corporations, associations, groups or individuals, payments covering all or part of the cost of subscriptions to provide medical care for needy and other persons. All contracts for medical care shall be between the medical care corporation and the person to receive such care.

**Section 14.** No action at law based upon or arising out of the physician-patient relationship shall be maintained against a non-profit medical care corporation.

**Section 15.** Each corporation subject to the provisions of this act is hereby declared to be a charitable and benevolent institution, and its funds and property shall be exempt from taxation by the state, or any political subdivision thereof.

**Section 16.** Any person, or any agent or officer of a corporation, who violates any of the provisions of this act, or who shall make any false statement with respect to any report or statement required by this act, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished as provided by the laws of this state.

**Section 17.** Should any provision or section of this act be held to be invalid for any reason, such holding shall not be construed as affecting the validity of any remaining portion of such section of this act, it being the legislative intent that this act shall stand, notwithstanding the invalidity of any such provision or section.

This act is ordered to take immediate effect.

**THE SPEAKER:** I think Dr. Licher and his Committee should be thanked for the very intensive and extensive work they have done in evaluating this problem and making their report.

This report will be referred to the Reference Committee on Prepayment Insurance.

### XI—MICHIGAN'S FOREMOST FAMILY PHYSICIAN

Now I would like to interrupt our morning business for a few moments, and I assure you the rest of the morning will not take too long to complete.

Last evening this House of Delegates voted in an overwhelming fashion to select the Family Physician of the Year. Dr. Claytor is here, and I would like the delegates from Saginaw County to meet him and con-

duct him into the room, with our President-elect, Dr. Darling.

*(The audience arose and applauded as Dr. Claytor was escorted into the House of Delegates.)*

**THE SPEAKER:** Dr. Claytor, I am sure you are acquainted with the very democratic way in which the Foremost Family Physician of the Year is chosen by the physicians of the entire State of Michigan. I will not go into the details because I am sure all of you are acquainted with them.

Last evening at this House of Delegates the names of three men were presented for consideration for this Award. You have been chosen by this House to represent the physicians of this State in relation to the public. It is my extreme pleasure to present to you this Award, which I will read.

"Michigan's Foremost Family Physician Award for the year 1959 is presented to Archer A. Claytor, M.D., Saginaw, Michigan. For valued service rendered to the health of the people of Michigan in a quarter century of practice, and for constant constructive effort to improve the profession. Awarded this thirtieth day of September, 1959, by the Michigan State Medical Society, s/ D. Bruce Wiley, M.D., Secretary, and Milton A. Darling, M.D., President." *(Applause)*

Now I should like to introduce Dr. Claytor's wife, Mrs. Claytor *(Applause)*, and his brother, Dr. Claytor, who is a practicing physician in Grand Rapids. *(Applause)*

Dr. Claytor, we hope you will have a few remarks to make to us.

**ARCHER A. CLAYTOR, M.D. [Saginaw]:** Mr. Speaker of the House, President of the State Medical Society, and Delegates composing this august body:

Had I prepared a speech I wouldn't be able to give it on this occasion. I am greatly surprised at the honor that this Society has bestowed upon me. I went to bed last night rather quietly, thinking I would have a good night's rest. The telephone rang around midnight, and I was told of this great honor. I didn't have much sleep from then on.

I was as much surprised at getting this award as would be a man who is condemned and sent to the penitentiary, and then upon arrival at the gate finds his sentence has been suspended. I didn't think this could happen to a man of my group, and I am sure it couldn't have happened anywhere except in the United States.

I wish to thank the Saginaw Medical Society for presenting me as a candidate to this body, and I wish to thank each of you for accepting me and giving me the honor of being the Doctor of the Year for 1959 for the State of Michigan.

Thank you. *(Applause)*

**THE SPEAKER:** I think it is a distinct privilege for all of us to welcome Dr. Claytor into this field of being the Foremost Family Physician of the Year.

### XV—5. AD HOC STUDY COMMITTEE ON REGIONAL ELECTION OF MMS BOARD MEMBERS

**SECRETARY WILEY:** This annual report was submitted by Dr. A. D. Allen, Chairman.

"The ad hoc Study Committee on Regional Election of Board Members of Michigan Medical Service met at the Sheraton-Cadillac Hotel on July 2, 1959. After a thorough discussion of the subject, the Committee recommends that Article II, Section 2 of the Bylaws of the Michigan Medical Service be changed as follows:

"1. That one Board member be elected for each Councilor District, except Districts 12 and 13, which because of the small representation in the House of Delegates would make it impractical for one member of each of the two Districts.

"2. That Article II, Section 2 permit the nomination of Directors by filing with the Secretary a petition signed by at least five members instead of ten as presently provided for in the Section."

SEC. 2, JMSMS

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THE SPEAKER: This report will be referred to the Reference Committee on Reports of Special Committees.

### XVI. REPORTS OF MSMS STANDING COMMITTEES

#### XVI-1. COMMITTEE ON POSTGRADUATE MEDICAL EDUCATION

#### XVI-2. PREVENTIVE MEDICINE COMMITTEE AND ITS SUB-COMMITTEES

#### XVI-3. PUBLIC RELATIONS COMMITTEE AND ITS SUB-COMMITTEES

#### XVI-4. ETHICS COMMITTEE

#### XVI-5. LEGISLATIVE COMMITTEE

These reports will be referred to the Reference Committee on Standing Committees.

### XVII. REPORTS OF MICHIGAN STATE MEDICAL SOCIETY SPECIAL COMMITTEES

#### XVII-1. SCIENTIFIC RADIO COMMITTEE

#### XVII-2. ADVISORY COMMITTEE TO THE WOMAN'S AUXILIARY

#### XVII-3. ADVISORY COMMITTEE TO THE MICHIGAN STATE MEDICAL ASSISTANTS SOCIETY

The Mediation Committee has no report.

#### XVII-4. COMMITTEE ON STUDY OF PREVENTION OF HIGHWAY ACCIDENTS

These reports will be referred to the Reference Committee on Special Committee reports.

THE SPEAKER: The meeting is recessed until 8 p.m. tonight.

*(The meeting recessed at 12:30 p.m.)*

### MONDAY EVENING SESSION

September 28, 1959

The meeting reconvened at 8:20 p.m., K. H. Johnson, M.D., Speaker of the House of Delegates, presiding.

### XVIII. REPORTS OF THE REFERENCE COMMITTEES

#### XVIII-1. ON OFFICERS' REPORTS

DR. BLODGETT, *Chairman.*

#### XVIII-1(a). SPEAKER'S REMARKS

J. B. BLODGETT, M.D.: The Reference Committee approves the brevity of the Speaker's remarks, and commends him for the vigor and efficiency which he has devoted to this office.

#### XVIII-1(b). PRESIDENT'S REMARKS

J. B. BLODGETT, M.D.: The Reference Committee approves the remarks of the President, and commends the energy and sincerity with which he has served the Michigan State Medical Society during the past year.

JANUARY, 1960

#### XVIII-1(c). PRESIDENT-ELECT'S REMARKS

J. B. BLODGETT, M.D.: The Reference Committee approves the President-elect's report and acknowledges the importance of the factual data which are presented. We anticipate excellent progress under his guidance and direction.

#### XVIII-1(d). REPORT OF THE DELEGATES TO THE AMERICAN MEDICAL ASSOCIATION AND DR. HYLAND'S OUTLINE OF "THE AMA TODAY"

J. B. BLODGETT, M.D.: Your Reference Committee accepts the report of the AMA Delegates and approves the stand of the Delegates against panel practice and their vote in favor of free choice of physician. The Reference Committee appreciates the infinite time and detailed study required of our Delegates to properly represent the State in the work of the AMA House of Delegates.

#### XVIII-1(e). REPORT OF WOMAN'S AUXILIARY

J. B. BLODGETT, M.D.: The Reference Committee unanimously accepts the gracious report of Mrs. Robert Reagan of Benton Harbor. It feels that much encouragement should be given to the Auxiliary in its many important contributions to the Michigan State Medical Society.

#### XVIII-1(f). REPORT OF THE MICHIGAN STATE MEDICAL ASSISTANTS SOCIETY

J. B. BLODGETT, M.D.: The Reference Committee unanimously accepts the splendid report offered by Miss Donna Hislop of Muskegon. We wholeheartedly endorse the constructive efforts of the MSMAS in behalf of organized medicine in Michigan. We sincerely urge their continued programs.

#### XVIII-1(g). REPORT OF THE COMMITTEE ON COMMITTEES

J. B. BLODGETT, M.D.: The Reference Committee approves the report with one exception. It recommends that the Committee not be dissolved until its good work is completed.

Mr. Vice Speaker, I move the adoption of this report of the Reference Committee as a whole.

*[The motion was severally seconded, was put to a vote, and was carried unanimously.]*

#### XVIII-2. ON REPORTS OF SPECIAL COMMITTEES

A. B. LEVANT, M.D.: The following reports, with the exception of the Mediation Committee, of which there was no report given to us, were approved:

#### XVIII-2(a). SCIENTIFIC RADIO COMMITTEE

#### XVIII-2(b). ADVISORY COMMITTEE TO WOMAN'S AUXILIARY

#### XVIII-2(c). ADVISORY COMMITTEE TO MICHIGAN STATE MEDICAL ASSISTANTS SOCIETY

#### XVIII-2(d). HIGHWAY ACCIDENTS COMMITTEE

Mr. Vice Speaker, I move the adoption of this part of our report.

C. W. OAKES, M.D. [Huron]: Second the motion.

*[The motion was put to a vote and was carried unanimously.]*

#### XVIII-2(e). HOUSE OF DELEGATES STUDY COMMITTEE ON TERM OF COUNCILOR

The report, as published on page 97 of the Handbook, was read.

A. B. LEVANT, M.D.: The Reference Committee recommends that no action be taken on this report.

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[The motion was severally seconded, was put to a vote, and was carried unanimously.]

### XVIII—2(f). AD HOC STUDY COMMITTEE ON REGIONAL ELECTION OF MMS BOARD MEMBERS

A. B. LEVANT, M.D.: It was recommended that no action be taken on this, pending the action of the National Blue Cross-Blue Shield Commission study.

Mr. Vice Speaker, I move the adoption of this part of our report.

The members of the Reference Committee felt that this report was not completely understandable, and that since the Blue Cross-Blue Shield Commission is already studying it, that rather than make a decision which might have to be changed later it would be better to do as we suggest here—that pending the action of the National Blue Cross-Blue Shield Commission study, no action be taken on this matter at this time.

C. W. OAKES, M.D.: I second it.

[The motion was put to a vote and was carried unanimously.]

A. B. LEVANT, M.D.: Mr. Vice Speaker, I move the adoption of the entire Reference Committee report.

THE VICE SPEAKER: We will proceed with the motion.

[The motion was put to a vote and was carried unanimously.]

### XVIII—3. ON RESOLUTIONS

#### XVIII—3(a). KALAMAZOO STATE HOSPITAL CENTENNIAL

J. M. WELLMAN, M.D.: This Reference Committee considered resolution No. 1, submitted by Dr. May of Kalamazoo County relative to the observation of the Centennial of the Kalamazoo State Hospital.

The Reference Committee unanimously approves this resolution, with the addition that The Council of the Michigan State Medical Society be asked to implement it.

Mr. Vice Speaker, I move the adoption of this resolution.

L. A. DROLETT, M.D., Second the motion.

[The motion was put to a vote and was carried unanimously.]

#### XVIII—3(b). MMS BOARD OF DIRECTORS; PUBLISH NOMINATIONS FOR

J. M. WELLMAN, M.D.: Resolution No. 7, submitted by Dr. Wunsch of Wayne County, relative to nominees to the Michigan Medical Service Board of Directors, was considered. The "Resolved" portions of this resolution state:

"RESOLVED: That the Board of Directors of the Michigan Medical Service be requested to furnish the delegates of the Michigan State Medical Society the names of the nominees to the Michigan Medical Service Board of Directors known at that time, together with a biographical sketch of each nominee, two weeks prior to the opening of the annual session of the House of Delegates," and

"RESOLVED: That the furnishing of this advance information shall not change the right of the delegates to present subsequent nominations by petition."

Your Reference Committee recommends unanimously that this resolution be approved as submitted, and I so move.

A. B. LEVANT, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

#### XVIII—3(c). MMS BOARD OF DIRECTORS; MAXIMUM TERM OF MEMBERS

J. M. WELLMAN, M.D.: Resolution No. 15, submitted by Dr. McIntyre of Wayne County, relative to the term of Michigan Medical Service Directors, was considered. The "Resolved" portion of this resolution states:

"RESOLVED: That the Board of Directors of Michigan Medical Service be requested to amend its Bylaws so that any member of the Board of Directors who shall have served two consecutive terms of three years each, making a total of six years, be ineligible for re-election for a period of one year immediately following the two consecutive terms."

In considering this resolution, your Reference Committee wishes to quote from the Preliminary Report of the Special Committee of Blue Shield Medical Care Plans to study certain current problems of the Michigan Medical Service, which was presented to the House of Delegates on September 28, 1959, by Donald Stubbs, M.D.:

"There is reason to believe at this time that the terms of Board members should be limited to specified periods of service to provide for a reasonable turnover in Board membership, and thereby broaden the opportunity for participation by more physicians."

Your Reference Committee recommends unanimously that this resolution be approved.

Mr. Vice Speaker, I so move.

M. S. DENNIS, M.D. [Wayne]: Second the motion.

[The motion was put to a vote and was carried unanimously.]

#### XVIII—3(d). HOUSE OF DELEGATES COMMITTEE TO STUDY MALPRACTICE

J. M. WELLMAN, M.D.: Resolution No. 27 was concerned with the problem of malpractice. It was brought to the attention of the Reference Committee that there is now active a committee of The Council which was appointed to review the problem of professional liability insurance. Remarks relative to the activities of this committee, on pages 65 and 66 of the Handbook for Delegates, 1959, were noted.

Discussion was presented that there are many facets relative to the problem of malpractice which extend beyond the scope of professional liability insurance. It was also strongly suggested that the committee designated in this resolution have the opportunity to secure opinions from attorneys relative to the legal aspects of the malpractice problem.

The "Resolved" portion of the original resolution states:

"RESOLVED: That a committee of the House of Delegates be appointed by the Speaker in consultation with the President to study the entire problem of malpractice."

Your Reference Committee recommends that the words, "in consultation with the President," be deleted, and that the following be added:

"... report its actions and recommendations at the next annual meeting of the House of Delegates."

The amended resolution therefore would read:

"RESOLVED: That a committee of the House of Delegates be appointed by the Speaker to study the entire problem of malpractice, and report its action and recommendations at the next annual meeting of the House of Delegates."

Your Reference Committee recommends unanimously the adoption of this amended resolution.

Mr. Vice Speaker, I so move.

R. E. WUNSCH, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

#### XVIII—3(e). COMMENDATION TO MEDICAL CARE INSURANCE COMMITTEE

J. M. WELLMAN, M.D.: Your Reference Committee next considered Resolution No. 41. Your Reference Committee recommends unanimously that this resolution be approved.

Mr. Vice Speaker, I so move.

J. J. COURY, M.D. [St. Clair]: I second the motion.

[The motion was put to a vote and was carried unanimously.]

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J. M. WELLMAN, M.D.: Mr. Vice Speaker, I move the adoption of the report of the Reference Committee on Resolutions as a whole.

[The motion was severally seconded, was put to a vote, and was carried unanimously.]

### XVIII—4. ON SPECIAL MEMBERSHIPS

LOUIS JAFFE, M.D.: The Reference Committee on Special Memberships recommends the following:

#### For Life Membership

*Branch County*.—Walter J. Bien, M.D.

*Calhoun County*.—William R. Chynoweth, M.D., James R. Jeffrey, M.D.

*Genesee County*.—John J. Kurtz, M.D., Robert D. Scott, M.D., Nell M. Ward, M.D.

*Houghton-Baraga-Keweenaw Counties*.—John J. Burke, M.D., Raymond E. Hillmer, M.D., Alfred La-Bine, M.D.

*Ingham County*.—Oscar H. Bruegel, M.D., Alfred J. Drotlett, M.D.

*Jackson County*.—Randall M. Cooley, M.D., Starr L. Kline, M.D., Mira J. McLaughlin, M.D.

*Kalamazoo County*.—William C. Huyser, M.D., William G. Hoebeke, M.D., R. A. Morter, M.D.

*Kent County*.—Walter W. Oliver, M.D.

*Lapeer County*.—Daniel J. O'Brien, M.D.

*Muskegon County*.—Charles B. Fleishmann, M.D.

*Northern Michigan*.—Frederick C. Mayne, M.D.

*Oakland County*.—Frank B. Gerls, M.D., Campbell Harvey, M.D.

*Wayne County*.—Charles W. Balser, M.D., Clarence A. Berse, M.D., Perry S. Black, M.D., Julius Y. Burnstine, M.D., Laurence A. Chrouch, M.D., Harold E. Clark, M.D., John F. Demaray, M.D., Harry H. Goldberg, M.D., Howard Havers, M.D., Ellis R. Green, M.D., Charles Lemmon, M.D., Harold L. Morris, M.D., Clarence V. Smith, M.D., Benjamin R. Springborn, M.D., Peter L. Warner, M.D., Henry Carstens, M.D.

Mr. Vice Speaker, I move the adoption of this portion of the report.

J. D. MILLER, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

#### For Retired Membership

*Calhoun County*.—Kenneth B. Keeler, M.D.

*Houghton-Baraga-Keweenaw Counties*.—Charles R. Smith, M.D.

*Ingham County*.—Octavious M. Randall, M.D., Abram A. Steiner, M.D.

*Kent County*.—Laurence W. Hayes, M.D., Leland M. McKinley, M.D., Carl A. Sustrong, M.D.

*Livingston County*.—Jesse J. Hendren, M.D.

*Muskegon County*.—Carl A. Wilke, M.D.

*Oakland County*.—Lionel N. Merrill, M.D.

*Wayne County*.—William E. Jahshan, M.D., Harley L. Krieger, M.D., Bruce C. Lockwood, M.D., Gordon B. Myers, M.D.

I move the adoption of this portion of the report.

J. A. FERGUSON, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

#### For Associate Membership

*Kalamazoo County*.—Howard C. Lavender, M.D.

*Oakland County*.—Kenneth E. Corrigan, Ph.D., H. S. Hayden, Ph.D.

*Washtenaw County*.—Francis J. Allaire, M.D., James B. Beatty, M.D., John R. Beljan, M.D., Ralph L. Brandt, M.D., Jack L. Court, M.D., Charles A. Cunningham, M.D., Richard S. Dillman, M.D., Richard H. Earle, M.D., Charles H. Eid, M.D., William R. Feltner, M.D., Richard C. Field, M.D., James B. Fish, M.D., Paul W. Gikas, M.D., William C. Grabb, M.D., Gordon J. Grout, M.D., Ng Harry Hing, M.D., F. Deborah Johnson, M.D., Robert F. Johnston, M.D., Robert H. Joseph, M.D., W. W. Kimbrough, M.D., Frederick J. Kingery, M.D., Charles F. Krausse, M.D., Edwin H.

Kroon, M.D., Richard A. Kutcipal, M.D., Theodore R. Lamott III, M.D., Edwin H. Lewis, M.D., Jose J. Llinas, M.D., Marvin J. Lubeck, M.D., W. Frank Matthews, M.D., Jack D. McCarthy, M.D., John M. McGehee, M.D., Leo J. Miedler, M.D., Earl M. Mumford, M.D., Thomas C. Murphy, M.D., Harold A. Oberman, M.D., John O'Sullivan, M.D., Roy Patterson, M.D., Frank N. Ritter, M.D., George W. Schemm, M.D., Bernard S. Silverstein, M.D., Iver F. Small, M.D., Purcell Smith, Jr., M.D., David B. Stevens, M.D., Clarence H. Tannel, M.D., John B. Wear, Jr., M.D., Jack C. Westman, M.D., Eugene I. Winkelman, M.D., Lawrence H. Wilk, M.D.

*Wayne County*.—John G. Bayles, M.D., Sidney Berman, M.D., H. L. Buller, M.D., H. Neill Calkins, M.D., Jacob L. Chason, M.D., Emerson O. Evison, M.D., Lionel Finkelstein, M.D., Barbara A. Hardt, M.D., Lewis G. Harmon, M.D., Lawrence J. Jamison, M.D., W. H. M. Johnson, M.D., George M. LeGallee, M.D., Philip L. Lathrop, M.D., Elizabeth Levy, M.D., Richard L. Novack, M.D., Robert L. Schaefer, M.D., Thomas O. Sage, M.D., Burton L. Schmier, M.D., Elwood A. Sharp, M.D., John E. Webster, M.D.

Mr. Vice Speaker, I move the adoption of this portion of the report.

[The motion was severally seconded, put to a vote and carried unanimously.]

### XVIII—5. ON RULES AND ORDER OF BUSINESS

#### XVIII—5(a) (b) (c). TRANSMITTING COUNCIL MINUTES TO DELEGATES AND COUNTY MEDICAL SOCIETY SECRETARIES

B. P. BROWN, M.D.: The Reference Committee on Rules and Order of Business considered the three following resolutions, Nos. 24, 28 and 35. These all concerned the dissemination of all actions of The Council and its Executive Committee.

They all requested more effective distribution of the minutes of The Council and its Executive Committee.

Our Reference Committee agrees in principle with all three of these resolutions, but finds it more feasible to offer a substitute resolution which we feel will embody the good points of each.

The substitute resolution submitted by the Reference Committee is as follows:

"Whereas, there appears to be an increasing interest on the part of the delegates and the component medical societies regarding the official proceedings of The Council and its Executive Committee, and

"Whereas, more effective dissemination of the minutes of these meetings to the component societies and interested delegates is desirable; therefore, be it

"RESOLVED: That the Secretary of MSMS be directed to forward copies of the complete minutes of all meetings of The Council and its Executive Committee to the secretary of each component medical society within fifteen days after approval; and be it further

"RESOLVED: That these minutes shall be made similarly available upon written request to any interested delegate during his term of office; and be it further

"RESOLVED: That all recipients treat these minutes as classified material."

I move the adoption of this substitute resolution.

J. D. MILLER, M.D.: Second the motion.

THE VICE SPEAKER: This Reference Committee had to do with resolutions Nos. 24, 28 and 35. The Reference Committee has asked for approval of the substitute resolution, which includes most of the ideas contained in those three resolutions.

The Reference Committee moves approval of the substitute resolutions that you have just heard read. Is there any discussion?

J. B. BLODGETT, M.D.: A point of information. What does the Reference Committee mean by "classified information"? Does it mean, for instance, that the secretary of the county society could not divulge this information to the members in an open meeting?

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B. P. BROWN, M.D.: During the discussion we felt there might be material in some of the minutes that perhaps should not be disseminated widely among the members, and that each individual, particularly the secretary of each county society, should use a little discretion, and that the minutes should be kept in a safe place.

C. I. OWEN, M.D. [Wayne]: Will you please read the part that applies to "classified information"?

B. P. BROWN, M.D.: Do you want the whole resolution re-read, Doctor?

C. I. OWEN, M.D.: No; just the part—yes. They are calling for the entire resolution.

[*Dr. Brown re-read the substitute resolution.*]

C. I. OWEN, M.D.: Would the recipients treat it as classified information? Would it be made available to the delegates through their county society secretaries?

B. P. BROWN, M.D.: It would be available to the delegates through their county society secretary or upon their own written request to the office in Lansing.

C. I. OWEN, M.D.: And the delegate must keep it as classified information?

B. P. BROWN, M.D.: That's right.

C. I. OWEN, M.D.: I would like to move the approval of that substitute resolution.

THE VICE SPEAKER: It is already moved and seconded that it be approved.

J. G. SLEVIN, M.D. [Wayne]: I would like to know what you mean by "classified." In the Army we had to handle a lot of things that were classified.

B. P. BROWN, M.D.: As I stated before, it was brought out that there might be certain items dealing with the minutes of The Council or its Executive Committee which possibly would be better not to be disseminated too widely among the members of the county societies.

H. B. ZEMMER, M.D. [Lapeer]: It seems to me that the legal counsel could better clarify this "classified information" status. Perhaps we might ask our legal counsel if there is an angle from a legal standpoint. Why does it need to be considered as "classified"? I suggest Mr. Dodd clarify this.

THE VICE SPEAKER: Is Mr. Dodd here? Will someone ask him to come in, please?

M. C. KOZONIS, M.D. [Oakland]: I would like to direct a question to the Chairman of the Reference Committee.

What was the intent of your Committee in reference to committee reports that are sometimes necessary in order to understand the contents of the minutes of the Executive Committee and The Council? As you well know, the Executive Committee and The Council approve committee reports, which can be the total substance of the subject at hand for which nothing but approval through a motion to approve the report is sent out. What is your interest in the report other than that?

B. P. BROWN, M.D.: There was considerable discussion on that point, and it was felt that on any of those points that need clarification your District Councilor is the man to see, and you should go over the report with him. He should have complete information on it.

THE VICE SPEAKER: Further discussion? The motion is to approve the substitute resolution.

J. A. FERGUSON, M.D. [Kent]: I don't think this is clear yet. I would like to ask the Chairman of the Reference Committee to give us a "for instance" on information which should not be disseminated to the delegates or to the membership of the county societies. I can imagine restricted dissemination of information should be made to the public press, but it is hard to imagine why we should not disseminate this information in our county societies. Could you give us an example?

B. P. BROWN, M.D.: Probably the one thing that was uppermost in our minds on this matter was the fact that there occasionally may be material in there concerning malpractice, and a matter of ethics in one

county, that should not be of particular interest or possibly should not be broadcast over the entire State.

J. A. FERGUSON, M.D.: I still don't follow the Reference Committee's thinking on that point. If matters of malpractice occur in one county and considerations are applicable to all of us, I think we should have the benefit of that knowledge and experience. I fail to see why this should be restricted in any way to the House of Delegates in particular and to our medical societies in general.

THE VICE SPEAKER: I am told Mr. Dodd will be here in a moment. It is possible he can clarify the situation.

J. D. MILLER, M.D.: May I clarify this for my own brother delegate. We can't always get together on things at the same time.

There are somethings that come up which should not be disseminated when they are being discussed and when nothing has been proved and when only an accusation has been made, for instance. It might be damaging to some people because it is so easy to make accusations. It is something else to have actual proof that a wrong has been done.

It was thought that that might be damaging to some people, to have rumors circulated. Does that clarify it?

W. J. YOTT, M.D.: May I ask the Reference Committee to include in their recommendation that particular qualification? Amend that particular part of the substitute resolution that refers to malpractice.

J. A. FERGUSON, M.D.: Does this in effect inject a person into the system who by his own volition can screen information which we, the delegates, should have? Or, do you imply that the information should stop with the delegates? Is that your meaning?

B. P. BROWN, M.D.: No.

J. A. FERGUSON, M.D.: What person has the right to screen this information before passing it on to all of us who are so vitally interested? Is it the secretary of the county society?

B. P. BROWN, M.D.: Yes.

J. A. FERGUSON, M.D.: I think that is basically wrong. I don't think any one individual should have the prerogative of screening the information sent to us by The Council.

E. G. KRIEG, M.D.: I think there is quite a bit of misunderstanding here by our brother from Kent. In the first place, there is no committee's function that is not open to all of us. That includes even the other groups that aren't members of this House.

This particular resolution was meant to do only one thing. The three resolutions presented here complained that those county societies did not get information from The Council and Executive Committee soon enough so that they could know what was going on. The only thing this substitute resolution would do would be to implement that so that each county society would receive as soon as possible information on what goes on and so you and I can go to our own county society to find out what is going on. The other part of the resolution was meant to apply to those who are out in the province, so to speak, who aren't able to get to meetings. Those members would get the information directly. There is no *hokus-pokus* about it at all.

THE VICE SPEAKER: Thank you, Dr. Krieg. I am sorry that copies of the substitute resolution by the Reference Committee are not available for all of us at this time. I have been told that they will be available tomorrow, but that doesn't help us tonight.

I am going to read this substitute resolution once more, just to make sure. This is the "Resolved" part of the substitute resolution:

"RESOLVED: That the Secretary of MSMS be directed to forward copies of the complete minutes of all meetings of The Council and its Executive Committee to the secretary of each component medical society within fifteen days after approval; and be it further

"RESOLVED: That these minutes shall be made

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similarly available upon written request to any interested delegate during his term of office; and be it further

"RESOLVED: That all recipients treat these minutes as classified material."

D. W. MCLEAN, M.D.: I would like to ask the Chairman of the Reference Committee if approval of the minutes is mandatory, and when they are approved.

B. P. BROWN, M.D.: That was put in, Dr. McLean, for the reason that we were informed that the minutes of these meetings are approved at the next meeting of either The Council or the Executive Committee. There are occasionally directions which should not go in the first one, and therefore we did it in this manner.

D. W. MCLEAN, M.D.: But approval is mandatory?

B. P. BROWN, M.D.: Yes. I suppose it is mandatory as in any meeting when the secretary's minutes are approved.

D. W. MCLEAN, M.D.: I just wanted to be sure that approval was mandatory.

G. S. FISHER, M.D.: It seems to me that this resolution constitutes each county medical society secretary and possibly each delegate as a screener of this information. I am inclined not to agree with Dr. Miller, and I think that perhaps this is not exactly the way this should be done, or at least this is not the intent of the previous resolutions that were presented to the Reference Committee.

THE VICE SPEAKER: The delegate who asked for a legal opinion will please identify himself and ask his question again.

H. B. ZEMMER, M.D.: It was my understanding that there were certain legal possibilities or difficulties that we might get into by disseminating all of these minutes, and that is why the word "classified" was inserted, so that the secretary or the delegate or whoever had the minutes would not broadcast them.

There is a possibility of some danger in some of those things being broadcast. Many things come to The Council and occur in the minutes that are not completely decided at that particular time. It may not be well for them to be broadcast until certain definite action has been taken. Still, it might be inferred by someone who read the minutes that definite action had been taken.

I think our legal counsel could clarify some of the questions we are asking concerning classified information.

THE VICE SPEAKER: For the benefit of the delegate and with the permission of the House, is it all right if we ask Mr. Dodd to give us any information he might have on this particular point of classified material? All right.

J. D. MILLER, M.D.: May I ask a question first? I would like to make a statement instead of ask a question.

The intent of this was to speed the dissemination of information. This was not in criticism or to disseminate information that should not be disseminated. This resolution was presented with the intent of speeding communication between top level and the county societies.

Perhaps our legal counsel might clarify this by allowing some of us to make an amendment that would substitute the word "confidential" for "classified," because I think everyone understands the implications in "confidential" information.

THE VICE SPEAKER: Mr. Dodd, you have the floor.

MR. LESTER P. DODD: I am sorry, Mr. Vice Speaker, that I was not in the room when the question first came up.

If the question pertains to any particular significance in relation to the word "classified," I would say it probably has none. I assume the intention in the Reference Committee to add the word "classified" was to stress the point that such information should be regarded as highly confidential.

When this resolution or a request having the substance of this resolution first came before The Council, I suggested to The Council—and let me say I think there is no earth-shaking legal question involved in this whole situation—but when the minutes of The Council or

Executive Committee are first taken they are in rough form. They then go to the members of The Council and to the Executive Committee and to all others interested; corrections are made and they do not become official until the following meeting.

In the meantime, however, the substance of the action taken by The Council or the Executive Committee, as the case may be, can very properly be digested and the substance of it communicated much more rapidly, in my judgment, than could be done should you wait for corrected minutes and subsequently send them out one or two months later.

My only concern and the only concern we have had from the legal standpoint in respect to the dissemination of minutes is that if minutes are to be circulated in their original form at an early date, and rather widespread, it has been my experience that there has been a tendency thereby to edit minutes, to make them less meaningful than would be the case otherwise.

I think there is no objection to the dissemination of the result of the action of the Executive Committee or of The Council. I think it can be more practically done by an abstract of those minutes following very promptly the meetings of those bodies, and without having the fear that if you disseminate them in the meantime you are going to create false impressions and not the actual result of the approved minutes of that body.

I will be glad to answer any questions if there are any.

J. D. MILLER, M.D.: Mr. Dodd, would you rather have "confidential" than "classified" in that resolution?

MR. DODD: I think it would make no substantial difference whether you use the word "confidential" or "classified," because I think the word "classified" has no particular significance in this situation. I assume what you mean is "confidential."

E. M. VARDON, M.D.: This was discussed at great length in the Reference Committee, and I think we took up all sides of it. I feel that everybody on the Reference Committee understood that this material is highly confidential. The big thing that it concerns is the transmission of the doings of The Council and the Executive Committee.

We all know that lack of information or slowness of transmission of information oftentimes leads to misunderstandings, and it is to avoid this that all of these various resolutions were sent to the Reference Committee.

I think all three resolutions had the same intent, but they were worded a little differently. Some wanted the county societies to have the information; some wanted the individual delegates to have it. The Reference Committee felt they both were right. We felt that in a democratic organization such as our Society, by all means this information should be available to all component county medical societies. It seems to me there is no better place for it than with the secretary of each individual county society.

Also, that makes information available at the local level if anybody desires to go over to the county society office and see the minutes. However, some delegates are very interested in certain matters. We feel that they too, upon writing to the State office during their term as delegate, should have these things made available to them.

The question came up about speed and mode of transmission, and again the same thing that has been discussed here was brought up in the Reference Committee. Naturally you like to have information as soon as possible. Some wanted it in three weeks, others one month. That was batted around, and it was brought out that perhaps as soon as possible after the minutes were approved would be better.

Here is one thing about sending the minutes sooner than that, or a short synopsis of them. Sometimes you don't get the right idea of the action taken. It has to be imagined that perhaps it might never happen, but you have to think of things that could happen. It might be that such a thing would be sent out in unapproved

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minutes, and when someone reviewed them he would think that was the action of The Council or the Executive Committee, and would never have cause to look at the next month's minutes to find out whether it was approved or not or that it was contrary to the thought of the Committee.

That was the reason for waiting until the minutes were approved before they would be sent out. Then we felt the minutes should be gotten to the members as soon as possible after they are approved, either fifteen days or so, and forty-five days in all.

E. J. TALLANT, M.D.: I would like to move an amendment to the resolution, based on the intent of the original resolutions.

I move, Mr. Vice Speaker, that the words "made available" be deleted and the word "sent" be substituted, and that the words "upon written request" be deleted.

THE VICE SPEAKER: Will you read it as you have amended it, please?

E. J. TALLANT, M.D.: ". . . that minutes of the meetings be sent to every delegate."

[The motion was severally seconded.]

THE VICE SPEAKER: We are now discussing the amendment.

E. M. VARDON, M.D.: This also was discussed in the Reference Committee meeting. The automation of the office or the procedure for making a few extra copies is nothing as far as administrative procedure is concerned nowadays. It would be considerable work to send them to all the delegates, especially when you think that there might be some who would not be interested and who might have them kicking around their office and that they might become available to people who you would never dream would come in contact with them.

I think if a delegate is really and truly interested in these things, he certainly will sit down and make a written request for them, and he is entitled to them. Otherwise—well, it was the feeling of the Reference Committee that those who request them should get them. If everybody requests them, okay.

THE VICE SPEAKER: Do you all understand the amendment? There would be a change in the wording of the "Resolved," ". . . that these minutes shall be sent upon written request to all delegates."

E. M. VARDON, M.D.: It has been requested back here that we clarify whether each single time or for the whole term of office is meant. I believe it was the intent of the Reference Committee that it would be for the entire term of office. One request.

B. P. BROWN, M.D.: That's right.

E. J. TALLANT, M.D.: ". . . that copies of the minutes be sent to all delegates."

THE VICE SPEAKER: ". . . during the term of office?"

E. J. TALLANT, M.D.: ". . . during the term of office." Delete "be made available" and delete "upon written request."

THE VICE SPEAKER: ". . . that these minutes shall be sent to all delegates during their term of office."

E. J. TALLANT, M.D.: That is correct.

THE VICE SPEAKER: It is moved and seconded that we approve the amendment. Any further discussion? All those in favor, say "aye;" opposed, "no." The amendment is lost.

We will now vote on the motion to approve the substitute resolution which the Reference Committee has submitted to the House. Any discussion on the substitute resolution? All those in favor, say "aye;" opposed, "no." The motion is carried.

B. P. BROWN, M.D.: I move the adoption of the entire report of the Reference Committee.

[The motion was severally seconded, was put to a vote, and was carried unanimously.]

## XVIII—6. ON CONSTITUTION AND BYLAWS

### XVIII—6(a). BYLAWS (CHAP. 16, NEW SEC. 4): DEFERMENT OF DUES

### XVIII—6(b). BYLAWS (CHAP. 16, SEC. 2): DUES DELINQUENCY DATE CHANGE

S. E. CHAPIN, M.D.: Resolution No. 19, Deferred Dues: This resolution was disapproved by a 4 to 1 vote of the Reference Committee. The decision of the Reference Committee was to incorporate this resolution with resolution No. 9.

Mr. Speaker, I move the adoption of this part of the report.

THE VICE SPEAKER: It is moved that resolution No. 19 be disapproved, as it is being incorporated into resolution No. 9. We will ask the Chairman of the Reference Committee to read resolution No. 9.

[Dr. Chapin read resolution No. 9.]

S. E. CHAPIN, M.D.: Mr. Vice Speaker, I move acceptance of this part of the report.

J. B. BLODGETT, M.D.: Second the motion.

(The motion was put to a vote and was carried unanimously.)

S. E. CHAPIN, M.D.: Resolution No. 19, Deferred Dues.

[Dr. Chapin read resolution No. 19.]

THE VICE SPEAKER: The Reference Committee moves disapproval of Resolution No. 19. Is there any discussion?

[The motion was severally seconded, was put to a vote, and was carried unanimously.]

### XVIII—6(c). BYLAWS (CHAP. 16): REDUCED DUES FOR YOUNGER MEMBERS SO PRIVILEGED BY COUNTY MEDICAL SOCIETY

S. E. CHAPIN, M.D.: Resolution No. 25, Reduced Dues for Younger Members.

[Dr. Chapin read resolution No. 25.]

S. E. CHAPIN, M.D.: It was the unanimous opinion of the Reference Committee that this matter be referred to the Finance Committee of The Council in order to further the establishment of uniformity of practice in this matter.

Mr. Vice Speaker, I move the adoption of this part of the report.

S. L. LOUPEE, M.D.: Second the motion.

THE VICE SPEAKER: The motion is that resolution No. 25 be referred to the Finance Committee of The Council. Is there any discussion?

C. I. OWEN, M.D.: Mr. Vice Speaker, the amount of money involved here is relatively small. It is a wonderful gesture to the young physician to offer him a reduction in dues for his first two years in practice. It may mean a great deal to young physicians or it may not, but it will encourage them to become members in the Society.

I would object very strongly to sending this back to another committee for further study.

R. E. WUNSCH, M.D.: As a point of information, may I inquire what is implied by the Reference Committee in asking about "uniformity"?

S. E. CHAPIN, M.D.: It appears that many county societies have different ways of helping their young doctors, and we had several expressions of opinion about whether a county medical society should carry a man the first year or two or not, and whether some do and others don't. We thought perhaps the Finance Committee could come up with a formula that could be adopted by each and every county medical society.

R. E. WUNSCH, M.D.: I would raise a question regarding the advisability of this, inasmuch as basically we are acting for the State Society. I would agree most heartily with Dr. Owen that this would be a fine gesture on the part of the State Society, but I question whether some of our county societies would feel it desirable to have a decision necessarily made at the State level as to how they should handle their younger members.

I would make one other point. I would not be surprised if the additional number of younger men who will come in under these conditions rather than waiting a period of time might balance the thing financially in the long run, anyway.

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**THE VICE SPEAKER:** The recommendation of the Reference Committee is to refer resolution No. 25 to the Finance Committee of The Council. Further discussion?

Those in favor, say "aye;" opposed, "no." The motion is lost.

**C. I. OWEN, M.D.:** Mr. Vice Speaker, I move adoption of the original resolution.

[*The motion was severally seconded.*]

**T. J. DILLON, M.D. [Van Buren]:** I don't think most of the members here believe much in subsidies. This is pretty much a subsidy to a younger man. It also is an admission that the members of the county medical societies are darned poor salesmen, that they don't have any ability to present to the younger men the advantages of belonging to the Society; and if they try to get a man to join the Society, what do they have to offer him?

I think a young man going into business has to pay the cost of going into business, and he should not expect help from anybody else. He knows he is going to have to go into business, and he should prepare himself for it far in advance. He knows he is going to have to pay dues from year to year, and he will have to pay them some time, and he should be prepared to do so. Perhaps the medical arts and all the retail houses that sell medical equipment are better salesmen and sell the younger men a lot of goods on deferred payments. The younger man has got to produce, and they don't give him a commitment for half a dozen the first year. He is charged the full cost.

Perhaps something could be worked out whereby the man later wants to repay the State Society for his full dues. Maybe that would be all right; but the State Society has got to have money so it can operate and pay its obligations.

**A. B. LEVANT, M.D.:** I don't know whether this chap remembers the days when he started in the practice of medicine. It was pretty difficult to get enough for the down payment on office furniture, equipment, and so on. I remember I had Wayne County and State and AMA dues to pay. It took some of the food out of our mouths in order to pay those dues. I think we should now give a little help to the younger men.

**A. S. NAROTZKY, M.D.:** Lest we forget, we do have what are called hardship cases. We have discussed them on the county level. I think if these boys can't afford to pay, we can consider them individually as hardship cases.

**THE VICE SPEAKER:** Is there further discussion? The motion is for approval of resolution No. 25 regarding reduced dues for younger members. The question is called for.

**J. G. SLEVIN, M.D.:** I call for a division.

**THE VICE SPEAKER:** Those in favor, raise your right hand. Those opposed, raise your right hand. The motion is approved by a vote of 63 to 51.

### XVIII—6(d). BYLAWS (CHAP. 6): TRANSPOSING SECTIONS 11 AND 12

**S. E. CHAPIN, M.D.:** Resolution No. 23, Renumbering of Sections.

The Reference Committee unanimously approved the changing in Chapter 6 of the numbering of Sections 11 and 12 to 12 and 11. These Sections are concerned with procedure in Society action as related to Conduct and Discipline of Members. This change merely simplifies the procedure and makes it more understandable. There is no change in wording.

Mr. Vice Speaker, I move adoption of this part of the report.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

### XVIII—6(e). BYLAWS (CHAP. 6, SEC. 6): INVESTIGATION OF MISCONDUCT

**S. E. CHAPIN, M.D.:** This resolution was unanimously disapproved by the Reference Committee. It

was our feeling that there are already enough avenues of complaint against doctors.

In reviewing Chapter 6, Section 6 of the Bylaws, it was brought to the attention of the Reference Committee that this Section is worded, "Disciplinary measures shall be initiated." Since the title of this Section is "Request for Investigation," the Reference Committee feels that the first sentence should be amended to read, "Investigative procedures shall be initiated. . . ." The previous wording sentences the offender before he has been indicted.

Mr. Speaker, I move the adoption of this part of the report. The motion is to disapprove resolution No. 2, and I so move.

**THE SPEAKER:** The Reference Committee recommends disapproval of resolution No. 2. Is there a second?

**C. W. OAKES, M.D.:** Second.

**THE SPEAKER:** We are now ready for discussion of the motion to disapprove. Any discussion?

[*The motion was put to a vote and was carried unanimously.*]

### XVIII—6(f). BYLAWS (CHAP. 6, SEC. 7): TO DELETE "DISMISSAL" IN LAST SENTENCE

**S. E. CHAPIN, M.D.:** Resolution No. 32, Reporting of Dismissed Cases.

[*Dr. Chapin read resolution No. 32.*]

**S. E. CHAPIN, M.D. [continuing]:** The Reference Committee unanimously disapproved this resolution. If a man is vindicated it is just as important to announce this as it would be if he were reprimanded. Any violation of confidence in these matters is strictly a matter of local procedure.

Mr. Speaker, I move the adoption of this part of the report.

**A. C. STANDER, M.D.:** Second the motion.

**THE SPEAKER:** The motion is to disapprove resolution No. 32. Are you ready for the vote?

[*The motion was put to a vote and was carried, but not unanimously.*]

### XVIII—6(g). SEVEN PROPOSED AMENDMENTS RECOMMENDED BY THE COUNCIL

**S. E. CHAPIN, M.D.:** Resolution No. 47, Recommended Changes in MSMS Constitution and Bylaws.

This group of seven resolutions was presented by The Council of the State Medical Society.

### XVIII—6(g). (A) BYLAWS (CHAP. 11, SEC. 3): ELIMINATE CANCER CONTROL COMMITTEE

"Eliminate the Committee on Cancer Control." This was unanimously approved by the Reference Committee since it is part of the process of streamlining the committees of the Society.

Mr. Speaker, I move the adoption of part 1 of resolution No. 47.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

### XVIII—6(g). (B) BYLAWS (CHAP. 11, SEC. 1—(e)): CHANGE NAME OF LEGISLATIVE COMMITTEE

**S. E. CHAPIN, M.D.:** "Changing the name of the Committee on Legislation." The Reference Committee approved the change in name to the Legal Affairs Committee. This action is in line with similar changes made by other leading professional societies.

Mr. Speaker, I so move.

**E. G. KRIEG, M.D.:** Second.

[*The motion was put to a vote and was carried unanimously.*]

### XVIII—6(g). (C) BYLAWS (CHAP. 5, SEC. 3—(e)): ACTIVE MEMBERSHIP FOR ARMED FORCES, PHS AND VA OFFICERS

**S. E. CHAPIN, M.D.:** "3—Active membership for Armed Forces, Public Health Service, and VA Physi-

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cians." This recommendation was sent to this Reference Committee by the Executive Committee of The Council after it had been adopted by the AMA House of Delegates in Minneapolis last December.

The Reference Committee disapproved this resolution because it felt that if a doctor in one of the services enumerated above qualifies for active membership, then he should seek it himself.

Mr. Speaker, I move disapproval of part 3 of resolution No. 47.

F. P. RHOADES, M.D.: Second the motion.

J. G. SLEVIN, M.D.: It has always been the policy of medical societies that members of the armed forces who are not permanent residents of the state can become active members of component county and state societies. That is usual procedure. This would exclude members of the armed forces from becoming members of this State Medical Society if we disapprove this section. I don't think that is right.

S. E. CHAPIN, M.D.: Under the Bylaws as they stand now, these people are associate members. In order to be an active member a man would have to have a Michigan license. Many of the doctors practicing under these auspices in this State do not necessarily have a Michigan license, and therefore they could not be active members.

THE SPEAKER: Is there further discussion? The motion of the Reference Committee is to disapprove item No. 3 of resolution No. 47. Are you ready to vote?

[The motion was put to a vote and was carried unanimously.]

### XVIII—6(g). (D) BYLAWS (CHAP. 4, SEC. 4): TO INCLUDE DEATH AS REASON FOR DUES REFUND

S. E. CHAPIN, M.D.: "4—Refund of Dues." By adding the words "or death" to the first sentence of the third paragraph of Chapter 4, Section 4, the Society may then refund any dues and assessments already paid for the remainder of the year, calculated to the nearest quarter, to the estate of a member who has died. Previously this referred only to those who resigned. The words we are adding are "resignation or death" as constituting a refund.

The Reference Committee approves part 4 of resolution No. 47, and I so move.

E. G. KRIEG, M.D.: Second.

[The motion was put to a vote and was carried unanimously.]

S. E. CHAPIN, M.D.: Part 5 concerns the Ethics Committee and the Postgraduate Education Committee. It was the feeling of the Reference Committee that it could not further clarify the membership of this Committee without direction from the Secretary of the Society. This has been received since this report was written, and I will take this opportunity to remind the members of my Reference Committee that we will have a meeting in this room at 8:45 a.m. tomorrow morning.

### XVIII—6(g). (F) BY-LAWS (CHAP. 12, SEC. 3): ELECTION OF FOUR DELEGATES TO AMA IN ALTERNATE YEARS

Part 6—"AMA Delegates." Whereas the Michigan State Medical Society is now entitled to seven delegates instead of six, it becomes necessary to provide for the election of an additional delegate.

It is resolved that Chapter 12, Section 1, which now reads in part, "Provided further that not more than three delegates to the AMA shall be elected in any one year," be amended to read: "Provided that not more than four delegates to the AMA shall be elected in the odd-numbered years, and not more than three delegates to the AMA in the even-numbered years shall be elected at the Annual Session of the House of Delegates."

Mr. Speaker, I move the adoption of this resolution framed by the Reference Committee.

[The motion was severally seconded.]

F. L. TROOST, M.D. [Ingham]: I move an amendment to the motion, that it read "not more than four delegates be elected each year to the AMA."

C. W. OAKES, M.D. [Huron]: I second that.

[The amendment was put to a vote and was carried unanimously.]

S. E. CHAPIN, M.D.: As amended this would then read: "Provided that not more than four delegates to the AMA shall be elected in any one year."

[The motion as amended was put to a vote and was carried unanimously.]

### XVIII—6(g). (G) BYLAWS (CHAP. 12, SEC. 3): TERMINOLOGY OF "MEETING" AND "SESSION"

S. E. CHAPIN, M.D.: "7—Change of wording in Chapter 12, Section 3." The Reference Committee approved the change in the word "Session" to "Meeting." This is merely a matter of correct usage.

Mr. Speaker, I move the adoption of this part of the report.

E. G. KRIEG, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

### XVIII—6(h, i). 1. (CONSTITUTION, ART. X—SEC. 1): ELECTION OF SECRETARY BY HOUSE OF DELEGATES, 2. (CONSTITUTION, ART. X—SEC. 1): ELECTION OF TREASURER BY HOUSE OF DELEGATES

S. E. CHAPIN, M.D.: Resolutions Nos. 44 and 45 were considered jointly. Resolution No. 44 concerns the election of the Secretary, and resolution No. 45 concerns the election of the Treasurer.

The Reference Committee disapproved both of these resolutions. The Reference Committee proposes that the Constitution be amended to the effect that the Secretary and Treasurer be elected by The Council, as at present, but that they have no vote in The Council or Executive Committee.

This is a proposed change in the Constitution, not in the Bylaws, and it would take a year to do it.

Mr. Speaker, I move the adoption of this part of the report.

THE SPEAKER: Is there a second? The resolutions are in the form of constitutional amendments, and on that basis they will be deferred for one year from this meeting. That is the ruling of the Chair.

### XVIII—6(j). BYLAWS (CHAP. 9, SEC. 1 AND CHAP. 10, SEC. 2): COUNCILORS TO BE MEMBERS OF THE HOUSE OF DELEGATES

S. E. CHAPIN, M.D.:

[Dr. Chapin read resolution No. 13.]

S. E. CHAPIN, M.D. [continuing]: It was the unanimous opinion of the Reference Committee that this matter be referred to a special committee of the House of Delegates charged with studying the complete organizational structure of the Michigan State Medical Society.

Further, that this committee be charged to investigate and report on the following aspects of reorganization:

A. Redesignation of Councilor Districts on a geographical basis, irrespective of population, much like senators represent states in the Federal Government.

B. The possibility of selection of Councilors by popular vote in their Districts.

C. That Councilors retain the status of Delegates in the House of Delegates.

D. That consideration be given to the length and number of terms of Councilors, and so on and so forth.

MR. SPEAKER: I move the adoption of this part of the report.

M. S. DENNIS, M.D., Support.

THE SPEAKER: The motion is to refer the whole matter to a study committee. Is there discussion?

F. L. TROOST, M.D.: Aren't we required to disapprove this resolution before we vote on the other?

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THE SPEAKER: I don't believe so, Dr. Troost. If Dr. Chapin wishes to recommend that it be referred to a study committee, I believe he may so recommend. It should be in the form of an amendment, as to when this committee should report.

S. E. CHAPIN, M.D.: I shall amend it to read, "... and report at the next annual session of the House of Delegates."

[*The amendment was severally seconded, was put to a vote, and was carried unanimously.*]

THE SPEAKER: Is there discussion on the original motion as now amended, which is to refer it to a study committee to report at the next annual session of the House of Delegates?

O. K. ENGELKE, M.D.: I would like to move an amendment to the motion, that the special study committee transmit to the Secretary of the Society a full copy of its report in time for the Secretary in turn to transmit the full report of the study committee to each delegate two weeks before the next annual session.

[*The amendment was severally seconded, was put to a vote, and was carried unanimously.*]

[*The main motion as amended was put to a vote and was carried unanimously.*]

### XVIII—6(k and l). 1. BYLAWS (CHAP. 10, SEC. 7): EDITOR TO BE ELECTED BY HOUSE OF DELEGATES. 2 AMENDMENT TO BYLAWS SO EDITOR IS ELECTED BY HOUSE OF DELEGATES

S. E. CHAPIN, M.D.:

The Reference Committee disapproved these two resolutions jointly and offers the following substitute resolution:

"Whereas, the Reference Committee unanimously agrees that changes are needed in many areas concerning State Medical Society publications; therefore, be it

"RESOLVED: That the Speaker of the House of Delegates appoint a committee made up of four members of the House of Delegates and three Councilors, to thoroughly investigate the status of State Medical Society publications; and be it further

"RESOLVED: That this committee make a full report to the House of Delegates at its next annual session; and be it further

"RESOLVED: That this committee be required to publish interim reports of its actions in the State Medical Journal every three months."

Mr. Speaker, I move the adoption of this substitute resolution.

[*The motion was severally seconded.*]

S. E. CHAPIN, M.D.: We had the advice of a number of people while we were discussing these matters, and it does not appear that you can resolve a matter of this importance by merely passing a resolution. It was pointed out in the discussion that there are many more things wrong with the publications of the State Medical Society besides the personality or policies or feelings of the Editor.

We thought there were also some things concerning topography, the manner in which things are printed, and the actions and meetings of the Publications Committee, and so on, that should be studied, and when all of these items were brought together we felt this was a matter much bigger than just the simple six-line resolution, and was something that should be studied by a special committee.

If you will notice, we went to great length to see to it that you would know that this committee would be on the ball all the time.

THE SPEAKER: I would like to say that you can easily see that with a difference of opinion you could pass a motion now, and maybe two days from now you might want to change it. Next year you might want to change it again, and so on. That is the reason why many times a study committee is the only proper solution.

I realize that sometimes it postpones action, but sometimes we actually save time in the long run. If we had this coming up at every session of the House we wouldn't be doing anything else.

E. J. TALLANT, M.D.: This resolution was presented as a change in the Bylaws. I would like to speak to this matter.

Again the same principle was discussed previously. Wherein is the responsibility of the State officials? Is it to this body, which is the elected body of all the membership, or is it to the Council or the Executive Committee of The Council? This is a principle involved in many of the resolutions that have been brought in tonight. Wherein is the authority and responsibility? This is an attempt to place the responsibility of the Editor directly in the House of Delegates.

THE SPEAKER: The motion is to refer both of these items to a study committee. Those in favor, raise your right hand. Those opposed, raise your right hand.

The vote is 59 for and 41 against. The motion is carried.

S. E. CHAPIN, M.D.: Mr. Speaker, I move the adoption of the parts of this report that were approved.

C. W. OAKES, M.D.: I will support that.  
[*The motion was put to a vote and was carried unanimously.*]

### XVIII—7. REPORT OF THE REFERENCE COMMITTEE ON LEGISLATION AND PUBLIC RELATIONS

#### XVIII—7(a). HOSPITAL COMMITTEE REPORTS: PREVENT SUBPOENA

J. D. FRYFOGLE, M.D. [Wayne]: Legal Protection of Hospital Medical Staff Committee Reports.

[*Dr. Fryfogle read resolution No. 6.*]  
J. D. FRYFOGLE, M.D. [continuing]: The Reference Committee approves this resolution in principle and recommends its referral to the Legal Affairs Committee for implementation.

I so move.  
W. C. BEETS, M.D.: Second.  
[*The motion was put to a vote and was carried unanimously.*]

#### XVIII—7(b). ADOPTIONS

[*Dr. Fryfogle read the "Resolved" portion of resolution No. 18.*]

J. D. FRYFOGLE, M.D. [continuing]: The Reference Committee thanks Dr. Stander for his excellent resolution and feels that the State Society should express itself on this important problem.

Mr. Speaker, I move the adoption of this part of the report.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

#### XVIII—7(c). PORTION OF DUES REBATED TO COUNTY MEDICAL SOCIETY FOR LOCAL PUBLIC RELATIONS PROGRAM

[*Dr. Fryfogle read the "Resolved" portion of resolution No. 22.*]

J. D. FRYFOGLE, M.D. [continuing]: The Reference Committee feels that the public relations program of the Michigan State Medical Society is doing an excellent job with the monies made available to it, and that to reduce this amount by refund per member or by allocation to specific county societies would render this program ineffectual. We therefore disapprove resolution No. 22.

Mr. Speaker, I move the adoption of this part of the report.

R. W. TEED, M.D. [Washtenaw]: Support.  
THE SPEAKER: May we have a show of hands of those who approve the recommendation of the Reference Committee. (63) Those opposed, raise your right hand. (14) The vote is 63 to 14. The motion is carried.

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### XVIII—7(d). GERIATRICS CHAIRS IN MEDICAL SCHOOLS

[*Doctor Fryfogle read the "Resolved" portion of Resolution No. 26.*]

J. D. FRYFOGLE, M.D. [*continuing*]: The Reference Committee desires to delete the words of the last "Resolved" following the words "medical schools." The amended second "Resolved" then would read:

**"RESOLVED:** That the Michigan State Medical Society advocates specialized teaching of this subject in our medical schools."

Mr. Speaker, I move the adoption of this resolution as amended by the Reference Committee.

[*The motion was severally seconded, put to a vote and carried unanimously.*]

### XVIII—7(e). COUNTY MEDICAL SOCIETY MEDICAL STUDENT RECRUITMENT

[*Dr. Fryfogle read the "Resolved" portion of the resolution.*]

J. D. FRYFOGLE, M.D. [*continuing*]: The Reference Committee approves this resolution as written, and wishes to add a supplemental "Resolved" to read as follows:

**"RESOLVED:** That the Public Relations Committee of MSMS put increased emphasis on the selling of medicine as a vocation." (See amendment, page 51.)

The Reference Committee approves this resolution as so amended, and I so move.

[*The motion was severally seconded.*]

O. K. ENGELKE, M.D.: The schedule of these conferences referred to is on the blue sheet that was just placed on the chairs of each of the delegates. We hope you will all look at it.

[*The motion was put to a vote and was carried unanimously.*]

### XVIII—7(f). OTHER PROFESSIONS: REDUCED FEES TO SENIOR CITIZENS

[*Dr. Fryfogle read resolution No. 39.*]

J. D. FRYFOGLE, M.D. [*continuing*]: The Reference Committee wishes to amend this report as follows:

Delete the third and fourth "Whereas" and alter the "Resolved" so that it will read:

**"RESOLVED:** That the House of Delegates of the Michigan State Medical Society respectfully request the Board of Directors of the Michigan Association of the Professions to discuss with the members of the Michigan Association of the Professions the possibility of such like action being considered by the other professions." (See amendment below.)

Mr. Speaker, I move the adoption of this resolution as amended.

[*The motion was severally seconded.*]

THE SPEAKER: The motion is open for discussion.

W. A. HASTY, M.D. [*Oceana*]: In this resolution there is no provision for financial status of the recipients of the beneficent activity.

J. D. FRYFOGLE, M.D.: Yes, sir. The Reference Committee considered whether we would designate whether these were low income. We figured that the Blue Shield in our particular organization had designated them as "Plan A," but we thought it rather unwise if we talked to lawyers or to some other people and told them, "Please get out a plan that will designate these folks." I am sure they know what we are talking about.

W. B. MCINTYRE, M.D.: I would like to suggest as an amendment to this motion that the Michigan Hospital Council also be included. I realize that the profession is giving a service, and I realize also that the members of the Michigan Hospital Council are giving a service. While there are very definite implications in this resolution that it is unnecessary to spell out, I think it certainly is time that the onus of the high cost of medical care be taken off the shoulders of the doctor, particularly with the soaring costs of hospital care. We are being saddled with the blame for that. I certainly feel that this is one method of directing attention to that.

[*The amendment was seconded, put to a vote and was carried unanimously.*]

J. B. BLODGETT, M.D.: I suggest we have a division of the question. The reason is that I think the "Whereas" that reads, "Whereas, this in effect represents a subsidy to be provided by members of a single profession" is a very good one, and it is too bad to take it out. I move as an amendment that we keep it in.

[*The amendment was severally seconded.*]

THE SPEAKER: It is moved and supported that the third "Whereas" be left in. Is there discussion? Those in favor, say "aye"; opposed, "no." It is carried.

Are you ready to vote on the main motion as amended? All those in favor, say "aye"; opposed, "no." The motion is carried.

J. D. FRYFOGLE, M.D.: I would now like to move that our report be adopted as a whole, as amended.

[*The motion was severally seconded.*]

J. A. FERGUSON, M.D.: I would like to move for reconsideration of resolution No. 37. I have one small objection to the wording. We know what the "selling" of medicine means.

THE SPEAKER: The motion is to approve the report as a whole, as amended. I think if you are going to want to reconsider, we will have to decide that matter first. Is there a second to the motion to reconsider?

J. D. MILLER, M.D.: Second.

THE SPEAKER: All those in favor of reconsidering resolution No. 37, say "aye"; opposed, "no." The motion is lost.

Are you now ready to vote on approval of the entire report as amended? All those in favor, say "aye"; opposed, "no." The motion is carried.

### XVIII—8. REFERENCE COMMITTEE ON HYGIENE AND PUBLIC HEALTH

#### XVIII—8(a). PRENATAL HEALTH PROGRAM OF MICHIGAN DEPARTMENT OF HEALTH

[*Dr. Engelke read the "Resolved" portion of resolution No. 31.*]

O. K. ENGELKE, M.D.: After a review of the resolution and its history by Dr. Cosen, as well as pertinent material presented by Dr. Engelke and a general discussion by those present, the Reference Committee went into executive session and reached the following conclusion:

The Reference Committee unanimously recommends that this resolution be referred to the Michigan State Medical Society Maternal Health Committee for study, with the further request that other publications in this category intended for public distribution be reviewed by that Committee, and a report be made to the House of Delegates at the next Annual Session.

This was the unanimous action of the Reference Committee, Mr. Speaker, and I move its adoption.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

O. K. ENGELKE, M.D.: Mr. Speaker, this being the only resolution we considered, I move the adoption of the report of the Reference Committee as a whole.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

THE SPEAKER: We shall adjourn until tomorrow morning.

(*The meeting adjourned at 11:45 p.m.*)

### TUESDAY MORNING SESSION

September 29, 1959

The meeting reconvened at 9:15 a.m., K. H. Johnson, M.D., Speaker of the House of Delegates, presiding.

THE SPEAKER: I have a telegram I would like to read:

"Have just learned of designation of Dr. Archer A. Clayton as Foremost Family Physician of the Year. Please convey to Dr. Clayton my sincere best wishes

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and to your membership my congratulations for recognizing his distinguished service to medicine and to humanity and his embodiment of all we venerate in our family physicians."

s/ CHARLES E. CHAMBERLAIN  
Member of Congress

(Applause)

### XVIII—7(e). COUNTY MEDICAL SOCIETY MEDICAL STUDENT RECRUITMENT

You will recall that last evening Dr. Ferguson asked for reconsideration of a resolution. Due to the parliamentary situation we were in at the moment, we were rather upset about knowing what to do.

I think Dr. Ferguson has an excellent point, and I would like to have him present it to the group; we can then see whether you would like to go back and take up the matter in official parliamentary manner, or whether you would be willing to change one word in the resolution. Dr. Ferguson.

J. A. FERGUSON, M.D.: Mr. Speaker, I very much appreciate this opportunity. This is a small, noncontroversial point.

Referring back to resolution No. 37, in the "Resolved" it states "that each individual member of this House of Delegates consider himself as a committee of one to sell medicine as a vocation to leading high school and college students."

I thought if that were taken out of context by a shrewd press representative it might represent us as selling marijuana or Ojibwa to high school students.

I would simply suggest that we change it to read:

**"RESOLVED.** That each individual member of this House of Delegates consider himself as a committee of one on stimulating interest in medicine as a vocation."

THE SPEAKER: The question is this: Do you wish to go back and go through the whole procedure of having this resolution reconsidered, and so on, or are you willing to accept a motion that the word "sell" be changed to "stimulate interest in"? Make the motion and we will see how far we get with it.

J. A. FERGUSON, M.D.: I so move.

W. C. BEETS, M.D.: Support.

[The motion was put to a vote and was carried unanimously.]

### XVIII—(9). REFERENCE COMMITTEE ON MISCELLANEOUS BUSINESS

#### XVIII—9(a). CREATION OF HOUSE OF DELEGATES SPECIAL COMMITTEE ON CONSTITUTION AND BYLAWS

J. W. RICE, M.D.: Resolution No. 11 concerned a Standing Committee on Constitution and Bylaws. After all the controversy we had last night on the Constitution and Bylaws, it seemed to me we might have some consideration of this matter this morning.

The Reference Committee, after discussing the resolution that was offered, proposes a substitute resolution. I will read the original resolution No. 11 and then I will read the substitute resolution and we can vote on it.

[Dr. Rice read resolution No. 11.]

J. W. RICE, M.D. [continuing]: The Reference Committee offers a substitute resolution because we were afraid if it were put in a standing committee, the standing committee would probably just stand and not act.

Secondly, most changes are made by the House of Delegates at this time, and we thought a committee appointed each year by the House of Delegates might keep things up-to-date.

We recognize the fact that there may be some changes that may be considered, and so we offer the following substitute resolution:

**"RESOLVED:** That a special committee of the House of Delegates be appointed by the Speaker to review the Constitution and Bylaws and make recommendations concerning any necessary changes to this House of Delegates at the next annual meeting."

Mr. Speaker, I move the adoption of this portion of the report.

F. L. TROOST, M.D.: Second the motion.

[The Vice Speaker assumed the Chair.]

THE VICE SPEAKER: You are now voting to approve the substitute resolution as recommended by the Reference Committee. Is there discussion of the motion?

Those in favor, say "aye"; opposed, "no." The motion is carried.

### XVIII—9(b). HANDBOOK LISTING OF MSMS OFFICERS

[Dr. Rice read resolution No. 43.]

J. W. RICE, M.D. [continuing]: Your Reference Committee considered this, and since Article IX, Section 1 of the Constitution and Bylaws, on page 154 of the Handbook, lists the officers of the Society as the President, President-Elect, Secretary, Treasurer, Speaker and Vice Speaker, this resolution was approved.

Mr. Speaker, I move the adoption of this part of the report.

R. W. TEED, M.D.: Support.

[The motion was put to a vote and was carried unanimously.]

### XVIII—9(c). AAPS MEMBERSHIP

[Dr. Rice read resolution No. 46.]

J. W. RICE, M.D. [continuing]: The Reference Committee recommends that no action be taken on this resolution.

Mr. Speaker, I move the adoption of this portion of the report.

S. L. LOUPEE, M.D.: Support.

[The motion was put to a vote and was carried unanimously.]

### XVIII—9(d). MICHIGAN MEDICAL SERVICE REPORT

J. W. RICE, M.D.: Next we considered the annual report of Michigan Medical Service, appearing on page 140 of the Handbook.

Since the first part of our report concerns the financial condition of Michigan Medical Service, I think it would be well for you to look at the figures because I might get them mixed up.

While we realize that the tremendous amount of business done annually in an operation with the magnitude of Michigan Medical Service cannot be reflected in the 11-page report in the Handbook, this Reference Committee feels that some comments are in order.

First, our Reference Committee views with alarm the financial statement of Michigan Medical Service dated May 31, 1959. This statement shows that "reserves for contingencies" shrank to \$1,141,364, a loss of \$1,350,000 from May 31, 1958 to May 31, 1959.

The loss for the calendar year of 1958 (last year) was \$2,998,274. For practical purposes a 3 million dollar deficit is shown on business done in 1958. We do note, however, that for the first five months of 1959 the loss is only \$97,383, a noticeable improvement. It is stated that the loss comes from the operation of the old \$2,500 and \$5,000 policies now in force.

An April 30, 1959, approximately 60 per cent of the policyholders had the old \$2,500 and \$5,000 policies on which we are losing money, while only 40 per cent of the policyholders had the new M-75 policy.

One year ago we were promised that all policyholders would have M-75 policies by December 31, 1959. Since 33 per cent of the 40 per cent of M-75 policies are now held by automotive employees of the Big Three, it appears that only 7 per cent of the policyholders have converted to M-75, except for those in the Big Three.

We recognize that Michigan Medical Service has been beset by internal problems of the Michigan State Medical Society, as well as resistance to the higher premiums of the M-75 policies. However, we recommend a vigorous campaign to promptly convert all policies to M-75.

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We note the deductible policy which is hoped to be the mechanism to accelerate this conversion.

We also are happy to note that Blue Shield now has a contract for those over age sixty-five. We hope that all MSMS members will be humanitarian enough to accept the reduced fees for these older people who are barely keeping off the welfare rolls. A prolonged illness with a large medical bill might push them into a welfare state.

This is the conclusion of our remarks on the financial condition of Michigan Medical Service, and I would like to move that this portion of the report be adopted.

C. W. OAKES, M.D.: Second the motion.

THE VICE SPEAKER: Is there discussion? All those in favor, say "aye"; opposed, "no." The motion is carried.

J. W. RICE, M.D.: Next is the Professional Relations staff annual report.

We understand that the Professional Relations staff of Michigan Medical Service has a particularly difficult job because of the differences in attitudes among the physicians throughout the State.

Because of this, we feel that these representatives of Michigan Medical Service who are also representatives of the Michigan State Medical Society be carefully selected and continually receive in-service training as to the different attitudes and opinions of physicians before they contact either the public or the members of the State Medical Society.

Mr. Vice Speaker, I move the adoption of this portion of the report.

C. W. OAKES, M.D.: Support.

[The motion was put to a vote and was carried unanimously.]

J. W. RICE, M.D.: We next considered the Medicare program for dependents of service personnel. This program was revised on October 1, 1958, so as to restrict coverage for wives and children of military personnel. This was apparently due to budgetary limitations.

The Reference Committee believes strongly that the freedom of choice of medical facilities should be returned to these dependents.

The VA Hometown Care program: Most of the recent changes have been in the method of handling reports and payments for VA Hometown Care. The fee schedule has been improved in some instances.

Your Reference Committee believes that the Michigan State Medical Society should continue to work with Michigan Medical Service in developing a type of contract for VA Hometown Care which would provide services of doctors on the best possible basis.

Mr. Vice Speaker, I move the adoption of this portion of the report.

F. P. RHOADES, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

J. W. RICE, M.D.: Mr. Speaker, I move the adoption of the report as a whole.

W. C. BEETS, M.D.: Second.

[The motion was put to a vote and was carried unanimously.]

J. W. RICE, M.D.: Aside from the report, the Reference Committee would like to state as follows:

Your Reference Committee feels that there is a definite lack of understanding of the Michigan Medical Service program by many of the delegates. We believe this has added to the differences of opinion of the members of the Michigan State Medical Society.

In an effort to correct this and to keep all the delegates informed on the problems of Michigan Medical Service, your Reference Committee moves that a quarterly report be sent to all delegates by the Michigan Medical Service, this report to contain:

1. A report on operating costs and current profit and loss statement.
2. A short description of all types of policies in force.
3. The number enrolled in each type of policy.

4. Some identification or breakdown of the groups enrolled in the various policies, such as automotive workers, clerical workers, teachers, and so on.

5. What income is received from which policies.

6. A breakdown of the disbursement to physicians, M.D.s and D.O.s and Miscellaneous Payments.

Mr. Vice Speaker, I move that this resolution be adopted.

[The motion was severally seconded.]

THE VICE SPEAKER: This resolution contains recommendations from the Reference Committee. Is there any discussion of the motion?

C. I. OWEN, M.D.: I think this last recommendation is very, very good, but I would like to add one thing, namely, the amount spent on public relations and advertising.

F. B. LEVAGOOD, M.D.: I would like to second this amendment.

THE VICE SPEAKER: The amendment by Dr. Owen, seconded by Dr. Levagood, would include the amount spent on public relations and advertising. Is there discussion of the amendment?

[The amendment was put to a vote and was carried unanimously.]

THE VICE SPEAKER: Are you ready to vote on the original motion as amended?

[The motion as amended was put to a vote and was carried unanimously.]

THE VICE SPEAKER: We thank Dr. Rice and his Reference Committee very much for going through the reports as well as they have. This is the first time I can remember that a reference committee has really looked this thing over from beginning to end and has come to the House of Delegates with a good analytical report.

Thank you very much, Dr. Rice. (Applause)

## XVIII—10. REFERENCE COMMITTEE ON NATIONAL DEFENSE AND DISASTER PLANNING

### XVIII—10(a). CIVIL DEFENSE TRAINING PROGRAMS

[Dr. Rhoades read resolution No. 36.]

F. P. RHOADES, M.D. [continuing]: After considering this resolution, the Reference Committee added: "... and be it further

"RESOLVED: That each of the concerned county medical societies communicate with the nearest Civil Defense office in order to implement this program in their respective areas."

We also discussed at great length the various possibilities of reviving interest in this program in the various sections of the State, and the Reference Committee was of the unanimous opinion that it would be very difficult to whip up any enthusiasm. We felt that this resolution embodied the principal purposes of the Reference Committee, and at this time I would like to move the adoption of this resolution as amended.

J. G. SLEVIN, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

## XVIII—11. REFERENCE COMMITTEE ON REPORTS OF STANDING COMMITTEES

### XVIII—11(a). POSTGRADUATE MEDICAL EDUCATION COMMITTEE

N. J. HERSHY, M.D.: Your Reference Committee approved the report of the Postgraduate Medical Education Committee as printed in the Handbook.

Your Reference Committee moves the adoption of this portion of our report.

F. P. RHOADES, M.D.: Support.

[The motion was put to a vote and was carried unanimously.]

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### XVIII—11(b). PREVENTIVE MEDICINE COMMITTEE

N. J. HERSHY, M.D.: The report of the Committee on Preventive Medicine was approved, and we recommend the discontinuance of the Cancer Control Committee, with a comment that our physician-representatives on the Michigan Cancer Co-ordinating Committee maintain close scrutiny to preserve patient anonymity in reporting cancer cases.

Mr. Vice Speaker, I move the adoption of this part of our report.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

N. J. HERSHY, M.D.: The Reference Committee approves the report of the Rheumatic Fever Control Committee as printed.

The annual report of the Maternal Health Committee was approved as printed except for paragraph 4, item 3, referring to the composition of the Board of Michigan Medical Service to specifically include a psychiatrist, since this would establish a precedent for the composition of this Board relating to individual specialties. We disapprove this item in the report.

Mr. Vice Speaker, I move the adoption of this portion of our report as amended.

R. E. WUNSCH, M.D.: Second the motion.

[*The motion was put to a vote and was carried unanimously.*]

### XVIII—11(c). PUBLIC RELATIONS COMMITTEE

N. J. HERSHY, M.D.: The report of the Public Relations Committee was approved as printed in the Handbook.

I move the adoption of this portion of the report.

R. W. TEED, M.D.: Support.

[*The motion was put to a vote and was carried unanimously.*]

### XVIII—11(d). LEGISLATIVE COMMITTEE

N. J. HERSHY, M.D.: The report of the Legislative Committee was approved as printed in the Handbook.

Mr. Vice Speaker, I move the adoption of this portion of our report.

J. G. SLEVIN, M.D.: Second.

[*The motion was put to a vote and was carried unanimously.*]

N. J. HERSHY, M.D.: This completes our report, and I now move adoption of the report as a whole, with the amendments as made and acted upon during the presentation of our report.

R. E. WUNSCH, M.D.: Second the motion.

[*The motion was put to a vote and was carried unanimously.*]

S. E. CHAPIN, M.D.: Before I forget it, I would like to thank my Reference Committee, Drs. Dillon, Ruedemann, Scovill and Stander, for getting up so early this morning and having breakfast and coming armed with a lot of "Whereases."

The Reference Committee would like to bring in a resolution entitled "Change in wording of Chapter 6, Section 6." This has to do with the change recommended by the Reference Committee on resolution No. 2, Request for Investigation.

This is a substitute for resolution No. 2, which was disapproved last night. You will remember there was a comment by the Reference Committee that since they had had an opportunity to study Chapter 6, Section 6 of the Bylaws, they had a recommendation. This resolution is the recommendation that came out of a study of resolution No. 2 by the Reference Committee; incidentally, this is resolution No. 48 that we present.

### XII—48. BYLAWS (CHAP. 6, SEC. 6): INVESTIGATIVE PROCEDURES

"Whereas, the title of Chapter 6, Section 6 of the Bylaws is entitled, 'Request for Investigation,' and

"Whereas, this Chapter states that 'Disciplinary measures shall be initiated,' and

"Whereas, a request for investigation does not imply the initiation of disciplinary measures; therefore, be it

"RESOLVED: That in Chapter 6, Section 6, of the Bylaws a change of wording be accomplished so that it will read, 'Investigative procedures shall be initiated.'

THE VICE SPEAKER: This is really a new resolution, not a substitute resolution. Resolution No. 2 was disapproved, and this resolution before you now becomes a new resolution and will have to be put over for one meeting of the House, as it requires a change in the Bylaws. We will hold this in abeyance and will vote on it at our session this evening.

S. E. CHAPIN, M.D.: In the same connection it is necessary to introduce another resolution, as follows:

### XII—49. BYLAWS (CHAP. 7, SEC. 3): INVESTIGATIVE PROCEDURES

"Whereas, it has been recommended that Chapter 6, Section 6, of the Bylaws be amended to read 'Investigative procedures shall be initiated,' and

"Whereas, it is desirable that the Bylaws be as clear and understandable as possible; be it

"RESOLVED: That Chapter 7, Section 3 be changed to read, 'Initiate investigative procedures' instead of 'Initiate disciplinary measures.'

This is merely a change in wording. You can't change it in one place in the Bylaws without changing it in the other. They both mean the same thing.

THE VICE SPEAKER: This also is a new resolution and would require a change in the Bylaws. We will have to hold it in abeyance until the session this evening. Both of these resolutions will be given back to the Reference Committee, and they will bring them back this evening.

### XII—50. BYLAWS (CHAP. 11, SEC. 5): MEMBERSHIP ON ETHICS COMMITTEE

S. E. CHAPIN, M.D.: On resolution No. 47, part 5, no action was taken in the original report of this Reference Committee because we needed some clarification from the Secretary of the Society. Since we have received that clarification, the Reference Committee presents the following resolution concerning the Ethics Committee of the Michigan State Medical Society. This concerns Chapter 11, Section 5 of the Bylaws, on page 182 of the Handbook.

"Whereas, the report of the Committee on Committees has recommended to the Society that streamlining of the committee structure of the Society be accomplished; therefore, be it

"RESOLVED: That the following changes be made in Chapter 11, Section 5 of the Bylaws concerning the Ethics Committee, to wit:

Now I will read the old resolution to you.

"The Committee on Ethics shall consist of eight members appointed by the President with the advice of The Council, each member to serve for a four-year term, so staggered that two members are selected annually."

This is the part that we would like to change, and it would read when changed as follows:

"The Committee on Ethics shall consist of five members including the Chairman, appointed by the President with the advice of The Council, each member to serve for a four-year term, so staggered that not more than two members are selected annually and so that no member shall serve more than two consecutive terms."

THE VICE SPEAKER: This also requires a change in the Bylaws, and we will put it off until the meeting tonight.

S. E. CHAPIN, M.D.: The next resolution, and the last one, came as a result of action of The Council and the Executive Committee of The Council asking that this be done.

The next resolution concerns the Committee on Post-graduate Medical Education. This is Chapter 11, Section 2, page 180 of the Handbook.

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### XII—51. BYLAWS (CHAP. 11, SEC. 2): MEMBERSHIP ON POSTGRADUATE MEDICAL EDUCATION COMMITTEE

"Whereas, the report of the Committee on Committees has recommended to the Society that streamlining of the committee structure of the Society be accomplished; therefore, be it

"RESOLVED: That the following changes be made in Chapter 11, Section 2 of the Bylaws, concerning the Committee on Postgraduate Medical Education."

I will read it as it stands now:

"Section 2. The Committee on Postgraduate Medical Education shall consist of a Chairman and twelve members, four of whom shall be appointed each year to serve for a three-year term."

The "Resolved" would change this to read:

"RESOLVED: That the Committee on Postgraduate Medical Education shall consist of seven members, including the Chairman, with the deans of the two medical schools acting in an advisory capacity. Each member of this Committee is to serve for a four-year term, so staggered that not more than two members are selected annually, and so that no member shall serve more than two consecutive terms."

As you can see, we are attempting to give this a little more uniformity.

THE VICE SPEAKER: This also will have to be put off until the session this evening.

S. E. CHAPIN, M.D.: Just one more matter. It was the feeling of the Reference Committee that we should reconsider the problem brought up by resolutions Nos. 44 and 45 last night on election of the Michigan State Medical Society Secretary and Treasurer. We are proposing an amendment to the Constitution, and of necessity it will have to lie over for one year.

The Reference Committee presents the following amendment to the Constitution:

### XII—52. CONSTITUTION (ARTICLE X, NEW SEC. 3): VOTING PRIVILEGES OF SECRETARY AND TREASURER

"Whereas, the nature of the positions of Secretary and Treasurer of the Michigan State Medical Society is such that continuity of service is desirable, and

"Whereas, it would be to the disadvantages of the Michigan State Medical Society to change this office so frequently, and

"Whereas, the Secretary and Treasurer of the Michigan State Medical Society are not directly elected by the members of the House of Delegates; therefore, be it

"RESOLVED: That the Constitution of the Michigan State Medical Society be amended by the addition of Section 3 to Article 10, reading: 'The Secretary and Treasurer shall not be entitled to vote while serving on The Council of the Medical Society or the Executive Committee of The Council.'"

Unless there is other business to come before us at this time, we will adjourn until 8 p.m. tonight.

(The meeting recessed at 10:20 a.m.)

### TUESDAY EVENING SESSION

September 29, 1959

The meeting reconvened at 8:20 p.m., K. H. Johnson, M.D., Speaker of the House of Delegates, presiding.

THE SPEAKER: I have some additional telegrams that I would like to read.

"On behalf of Congressman Bentley, who is out of the country on official business, I would like to commend the Michigan State Medical Society on their selection of Dr. Archer A. Claytor as Michigan's Foremost Family Physician for 1959. I am sure that the Congressman will be pleased to learn of Dr. Claytor's

being accorded this high honor, and I know he was very proud to recommend Dr. Claytor for the Award."

s/ THOMAS B. JOSEPH,  
Assistant to Alvin M. Bentley,  
Member of Congress

(Applause)

"Please convey to Dr. Archer A. Claytor my sincere congratulations upon his selection as Michigan's Foremost Family Physician. I am proud that my native State gives men like Dr. Claytor the opportunity to serve society and to receive the rewards and recognition to which they are entitled."

s/ JOHN A. HANNAH,  
Chairman, Commission on Civil Rights  
(Applause)

"Our congratulations to the Michigan Medical Society and its Foremost Family Physician for 1959, Dr. Archer Claytor. This honor to outstanding physician and representative of his group well deserved. His civic and medical contributions certainly merit this recognition. American Medical Association salutes its illustrious member, Dr. Claytor."

s/ LEONARD W. LARSON, M.D.,  
Chairman of the Board of Trustees,  
American Medical Association

(Applause)

### XIX. MSMS PARTICIPATION IN STATE FAIR

S. E. CHAPIN, M.D.: I think it worthwhile to report to the House of Delegates on what we feel is an outstanding public relations effort on the part of some members of the State Medical Society.

Last June we were invited to take part in the Michigan State Fair. The public relations staff of the State Medical Society, particularly Jack Pardee and his secretary, Doris Jarrad, who did all of the detail work, organized a State Medical Society exhibit. This consisted of a replica of a doctor's office with all of the equipment. All of it was tagged with prices. The equipment was loaned by the Randolph Surgical Company.

In addition, those responsible for the exhibit were able to bring a number of the organizations interested in health careers, as well as many of the voluntary health agencies, to supplement this exhibit. We don't have an exact count but, believe me, on those hot afternoons between September 4 and 13, innumerable thousands of people went through Whitehall and stopped to see all of the exhibits, and particularly the State Medical Society's exhibit.

Why they didn't wear out the buttons on the exhibit, which shows organs in the body, I don't know. They pushed them all day and all night. We took something like 5,000 blood pressures. We did hundreds of electrocardiograms. We took heights and weights, and explained and answered innumerable very intelligent questions from many people on various aspects of medicine.

We are indebted to the Public Relations Committee of the Wayne County Medical Society, Dr. Gustafson, Chairman of the Public Relations Committee of Oakland County and his committee. Dr. Rousseau, President of the Macomb County Medical Society and his staff of doctors who helped to man the exhibit. In all, we had seventy-three doctors who spent anywhere from two to six hours on those hot afternoons and evenings helping to man the exhibit and to answer questions. (Applause)

From Wayne State University Medical College we had forty medical students at various times during the ten days. Eighty members of the Woman's Auxiliary spent anywhere from two to six hours each helping to man the exhibits, sometimes two and four at a time. (Applause)

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Sixty-seven members of the Medical Assistants Society helped to man the exhibits. This was indeed, as you can see, a really co-operative venture. (Applause)

I believe, just as the experience was at the Saginaw Fair last year, that the trend toward the use of physicians in a program of public education is an extremely valuable one, and is something that we should put a little more effort into if possible.

The State Medical Society received the First Prize for the best health exhibit at the Fair. This is the Prize.

Mr. Speaker, I move that the House of Delegates instruct the Secretary to write a letter of commendation to each of the organizations that took part in this co-operative public relations venture.

[The motion was severally seconded, was put to a vote, and was carried unanimously.] (Applause)

S. A. FIEGEL, M.D.: This is in regard to a spring meeting.

### XII—53. SPRING SESSION OF MSMS HOUSE OF DELEGATES

"Whereas, the amount of work required by the House of Delegates at the Annual Session has been gradually increasing, and

"Whereas, the number of meetings of the House of Delegates has been more and more, even extending into four days, and

"Whereas, the work of some of the reference committees has become of such magnitude that time has not allowed thorough discussion and resolution of the problems at hand; therefore, be it

"RESOLVED: That the House of Delegates of the Michigan State Medical Society meet in a one-day session to resolve a portion of its functions the day prior to the meeting of the Michigan Clinical Institute in March of each year, for such work as is deemed necessary."

THE SPEAKER: This resolution will be referred to the Reference Committee on Rules and Order of Business.

I should like to introduce to you Dr. O'Neal, from the Illinois State Medical Society. (Applause)

Also, Dr. Louis Hirschman, who is our oldest living Past President.

(The audience arose and applauded.)

### XX. MICHIGAN MEDICAL SERVICE ELECTIONS, SEPTEMBER 29, 1959

C. I. OWEN, M.D.: The report of the tellers in the election is as follows:

Mr. Gillen	155 votes
Dr. Novy	140 votes
Dr. Blodgett	139 votes
Dr. DeTar	85 votes
Dr. Cameron	83 votes
Dr. Rice	81 votes
Dr. Sweeny	81 votes
Dr. Cooper	79 votes
Dr. Thorup	78 votes
Dr. Kozonis	77 votes

Dr. Brink and Dr. Kozonis each had 77 votes and were tied for tenth place. A coin was tossed and Dr. Kozonis was elected.

Michigan Hospital Association representatives, two to be elected for three-year terms: Dr. Kerlikowski, 110 votes, and Mr. Schaefer, 101 votes.

### XVIII—12. REFERENCE COMMITTEE ON REPORTS OF THE COUNCIL

PAUL IVKOVICH, M.D.: The Reference Committee on Reports of The Council met with all of the members present. The Reference Committee finds The Council very inspiring in following its scientific program.

In the report of the financial statement, The Council has shown good business acumen in maintaining a substantial balance.

JANUARY, 1960

THE JOURNAL is to be commended upon maintaining a high personal standing in diverse articles and editions. However, the editorials presented should be a representation of the majority of MSMS members in its policy discussions. In addition, a "Letters to the Editor" page should be incorporated in its editions.

In the report, the Reference Committee recommends that on page 52 of the Handbook the last two sentences in paragraph 1 be changed. As it reads now, speaking of editions, it states: "June has been devoted to Michigan Medical Service. Michigan is unique in that Michigan Medical Service is an integral part of the state Medical Society, members of the House of Delegates being the corporate body of Blue Shield and electing the Board of Directors."

We recommend the following change:

"June has been devoted to Michigan Medical Service, which is sponsored by the Michigan State Medical Society, members of its House of Delegates being the corporate body of Blue Shield and electing the Board of Directors."

The Council through its organization section has rewarded national medical leaders from Michigan who have performed outstanding service to their profession.

In the report on the contact with governmental agencies, it should be brought to the attention of the House of Delegates that The Council has accepted the modified Veterans Administration proposal for the year 1959-1960 with serious misgivings and the statement, "Unless the program for care of veterans is much improved for next year, that MSMS seriously consider discontinuing its participation."

The Reference Committee feels that commendation is due to the fine work of the many committees that have been appointed by The Council during the past year. There are many items in this report which the Reference Committee probably should mention; however, due to the limitations of time we can only recommend that this splendid report be read in its entirety and that it be called to the attention of the component county medical societies. To the various committees the Reference Committee extends its congratulations.

Much acclaim should be given to the Committee on Big Look and its Chairman, W. S. Jones, M.D., the "transplanted Southerner."

The Committee on Uniform Fee Schedule for Governmental Agencies must have received a transfusion to do such a noble job in revising the fee schedule.

Much discussion was raised in the report by the Committee to Study Feasibility of Greater Participation in Blue Shield, where in the second paragraph, page 72, in the second sentence, the word "ethically" was used. Your Reference Committee advises the Committee to Study Feasibility of Greater Participation in Blue Shield to change paragraph 2, page 72 to read:

"After two meetings, it was our conclusion that The Council should advise Blue Shield that, within the strict interpretation of the Enabling Act, Blue Shield is obligated to pay only the participating doctor of medicine directly."

The Reference Committee takes cognizance of the splendid program of the Woman's Auxiliary, and of Mrs. Robert E. Reagan for her leadership. Her outline of the long-term program of the Auxiliary should be wholeheartedly supported by MSMS, and a closer liaison between the Auxiliary and MSMS should be maintained.

The Public Relations Department of MSMS is a highly efficient and important part of your organization. Its achievements speak for themselves.

The supplemental annual report of the MSMS Medical Care Insurance Committee is recommended by your Reference Committee to be read very carefully. Usage of this report has been transferred to another reference committee.

The supplemental report of The Council was submitted to the Reference Committee for consideration. It wishes to commend the Michigan Cancer Co-ordinating Committee for its enlightening and educational program.

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The Reference Committee is in favor of the program outlined by the Committee on Alcoholism, and believes The Council should have this committee continue its study.

Your Reference Committee, in viewing the report of the committee appointed by the Executive Committee to develop the history of matters pertaining to what the Michigan State Medical Society and its committees have done in connection with prepaid medical care coverage, has this to comment: Council members were given copies of new insurance contracts to approve, with a "deadline" of the next morning. A complex subject such as an insurance contract cannot be thoroughly familiarized with all its details in such a short time.

The Reference Committee feels that the action of The Council in approving the contracts is to be deplored, and that The Council should take adequate time to arrive at a proper decision. In the future, no vital subject should be voted upon until such time as members of The Council have had time to familiarize themselves with the problem.

The Reference Committee acted upon the recommendations of The Council as follows:

Recommendation 1. That The Council be authorized to send MSMS representatives to Washington, D. C., in 1960 on the occasion of the Annual Michigan Day, as recommended for many years by the House of Delegates.

Mr. Speaker, the Reference Committee moves that this recommendation be adopted.

E. G. KRIEG, M.D.: Support.

The motion is that we send representatives to Washington, D. C., again, as we have done for several years in the past, at the time of the Annual Michigan Day.

[The motion was put to a vote and was carried unanimously.]

PAUL IVKOVICH, M.D.: Recommendation 2. That The Council be authorized to arrange Councilor conferences, prior to the Annual Session, to continue communication with and to impart information to the membership, as has been done during the past two years.

Mr. Speaker, I move the adoption of this recommendation.

G. W. SLAGLE, M.D. [Calhoun]: Second the motion.

[The motion was put to a vote and was carried unanimously.]

PAUL IVKOVICH, M.D.: Recommendation 3. That an evaluating team visit those county medical societies that request same. This team would review county medical society activity as compared with good organizational practice, and would make recommendations for improved organization, administration and services, with the end in mind of increasing the strength of county medical societies and improving their public relations potential. This survey would be made only on request of the county medical society. The evaluating team would consist of state and county officers plus state staff members and such other outside experts or advisers as the evaluating team deems necessary. Upon completion of the evaluation, concrete recommendation would be offered.

Mr. Speaker, I move the adoption of this recommendation.

E. J. TALLANT, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

PAUL IVKOVICH, M.D.: Recommendation 4. That during the months of October and November, 1959, a team of MSMS speakers arrange an itinerary whereby it may efficiently cover a major portion of the Lower Peninsula. Said team would report on the actions of the House of Delegates, the plans for the future of the Michigan State Medical Society, and would attempt to stimulate organizational and public relations awareness on the part of county medical societies and individual M.D.s. The Upper Peninsula would receive the same service in the spring of 1960.

Mr. Speaker, I move the adoption of this recommendation.

S. E. CHAPIN, M.D.: Second.

L. F. HAYES, M.D.: I would like to point out that it seems to me this is an appropriation of the delegates' responsibility. I don't see why it is necessary to go to the expense and trouble of getting a team from the Michigan State Medical Society headquarters to go out and tell the component medical societies what has happened. They have representatives here who are supposed to be doing that job. I don't think this particular action is necessary.

The public relations efforts might be very much needed, particularly in smaller county medical societies, but certainly not a report of what has happened here in the House of Delegates meeting, because that is our responsibility.

THE SPEAKER: Further discussion? Those in favor, say "aye"; opposed, "no." [The motion is lost.]

PAUL IVKOVICH, M.D.: Recommendation 5—That the House of Delegates give favorable consideration to changing the Bylaws in Chapter 16, Section 2 to read: "Any member in arrears after June 30 of each official year shall stand suspended," and so on.

Your Reference Committee neither approves nor disapproves this recommendation, as this subject has been brought on the floor and acted upon by another committee.

Mr. Speaker, I move the adoption of this report in its entirety.

S. L. LOUPEE, M.D.: Support.

THE SPEAKER: The motion is to approve the report of the Reference Committee as a whole.

[The motion was put to a vote and was carried unanimously.]

Dr. Chapin wishes to come back to the podium with a supplemental report of the Reference Committee on Constitution and Bylaws.

### XVIII—6(m). BYLAWS: DELETE CHAPTER 7 RE GRIEVANCE COMMITTEE

[Dr. Chapin read resolution No. 29]

S. E. CHAPIN, M.D.: The Reference Committee on Constitution and Bylaws unanimously disapproves resolution No. 29, expressing the feeling that since a good mediation committee is an extremely important function of the medical society, Chapter 7 of the Bylaws should not be deleted.

Mr. Speaker, I so move.

L. F. HAYES, M.D.: Second.

M. R. WEED, M.D. [Wayne]: The recommendation of the Reference Committee is not contrary to the recommendations made in this resolution. I think there is no doubt that a mediation committee is an important function of any county medical society. Indeed, it is so important that county medical societies have two mediation committees that are going at a full head of steam all the time.

The reason for submitting this resolution is that here we have a constitutional anomaly. We have a situation in which the State Society directs the county society as to the establishment of a committee that does not refer back its actions in any way whatsoever to the state Society, and this is the only committee in which such constitutional provision is made.

From a practical standpoint it would appear that this particular Bylaw in the State Constitution unnecessarily complicates life for some of the county societies, particularly the two mediation committees, because in the development of the procedure outlined here, and subsequent reference to the Ethics Committee in those cases where some violation of ethics is suspected, a tremendous amount of correspondence and as many as five appearances for different parts of the procedure must be made by the individual who is accused.

For these reasons I move a substitute resolution, which is the original resolution No. 29.

[The motion was severely seconded.]

THE SPEAKER: I don't want to quibble, but I don't

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think we need another resolution. We can either support the Reference Committee's recommendation, or reject it.

G. S. FISHER, M.D.: No.

THE SPEAKER: Beg pardon? The recommendation of the Reference Committee is to disapprove resolution No. 29. I see what you want to do. You want to approve it; is that it?

G. S. FISHER, M.D.: If we disapprove the Reference Committee's recommendation, we will not have voted on resolution No. 29.

THE SPEAKER: Your motion, then, is to approve? Your motion is to substitute; that is correct. Again, as an amendment, you can do exactly the opposite to what you are trying to do. All you have to do is to vote this one down, and then make a new motion to approve resolution No. 29. You may do that. You can't make a substitute motion that is diametrically opposed.

The Chairman of the Reference Committee would like to answer.

S. E. CHAPIN, M.D.: We don't disagree with the discussion. The feeling of the Reference Committee was that if this part of the Bylaws were left as it was, then no component county medical society could avoid having a mediation committee. That was the only reason why we felt this should not be taken out of the State Medical Society Bylaws.

E. J. TALLANT, M.D.: This is a highly technical problem, as we are all aware. It is a problem that has been gone into at great length by the Wayne County Medical Society, and the resolution was introduced upon the advice of the attorney of the Wayne County Medical Society. We sought legal advice before introducing the resolution. It is a highly technical resolution.

H. B. ZEMMER, M.D.: I can see that this might be a bit cumbersome for a county society the size of Wayne. However, there are many smaller societies outstate where the mediation committee has to be composed pretty much of the whole membership. It becomes very hard for a such a group to decide. Perhaps the groups are thrown a little more closely together outstate than they are in Wayne County.

Therefore, I think this should be retained, because it is only fair to the individual being investigated that he still can appeal to the State Society, which might be further away from the situation.

T. J. DILLON, M.D.: I feel it should be left in. A member of the committee brought up this same matter. Medicine is under fire all the time to provide some extra policing, all the way from Senator Wayne Morse on down. Leaving this in the Bylaws of the State Medical Society is evidence and further proof that the Society is interested in policing its own efforts to maintain its own quality and provisions for further care of its own members, rather than giving someone a chance from the outside to step in and say, "Now they are doing away with their own policing," and any excuse would be grasped upon. I think it should be left in.

J. D. MILLER, M.D.: Very quickly I would like to second Dr. Zemmer's statement. The reason this was put in the State Society structure a long time ago (and I happen to remember something about it) was to relieve small societies of the burden of trying to discipline their own friends under circumstances that might be quite embarrassing.

The doctor from Van Buren has added another fine point. Thank you.

E. M. VARDON, M.D.: Mr. Speaker and delegates, this matter is technical, and it is very confusing when you read it, but in actual working out I think it is a contradiction.

First, it says "grievances of nonmembers." How can they go to a State mediation without going through the county society? I would like to know how many times this grievance committee has been called upon and has met in the last two or three years. I can't see any function for it, because it seems to be contradictory.

M. R. WEED, M.D.: There isn't any contradiction as

far as Dr. Vardon's remark is concerned, because this does not set up a State mediation committee. This directs the county societies to set up such mediation committees.

In answer to Dr. Zemmer's remark that it would be impossible to refer such cases from the county society without this procedure, there is nothing set up in Chapter 7 which indicates that mediation cases as such will be referred to the State Society under any circumstances.

If an individual chooses not to co-operate with the mediation committee of his county society, then provision is made so that he can be referred to the Ethics Committee for disciplinary investigation.

If an ethical violation is found by the mediation committee, they are empowered to refer to the ethics committee of the county society, which in turn will then refer the case to the State Society. This is merely a directive from the State Society to county societies as to how they shall operate in an area which does not refer directly back to them.

As far as the problem of the smaller county societies who have not established procedures other than those in the State Bylaws is concerned, that provision is taken care of in the original resolution, in that in that resolution it is suggested that this Chapter be referred to county societies as a guide for procedure, and they can either adopt it lock, stock and barrel or they can modify it to fit the peculiar situation that may exist in that county.

I want to emphasize again that there is no doubt that every county society, in our opinion, should have a mediation committee. Some should have more than one mediation committee. That is not the point. The point, as I see it, and this may be peculiar, is that this is the only committee of a county medical society that is specifically ordered by the State Society without any check on the committee subsequently or any reference back by the State Society.

THE SPEAKER: The question is called for. I don't want to shut off discussion prematurely, but I believe the matter has been properly presented.

G. S. FISHER, M.D.: The vote is on the substitute motion?

THE SPEAKER: No. Vote this down if you wish. Then, if you want to make another motion, do so. If you approve the Reference Committee's recommendation, then this motion will be lost. If you vote down the Reference Committee's recommendation you may propose a substitute motion to approve.

VOICE: Please re-read the recommendation.

S. E. CHAPIN, M.D.: The Reference Committee disapproves resolution No. 29.

THE SPEAKER: If you want to accomplish what you want to accomplish, Dr. Fisher, vote this down and then propose another motion. However, if the action of the Reference Committee is sustained, you are all done; right?

All those in favor of the Reference Committee's recommendation that this resolution be disapproved, say "aye"; opposed, "no." Do you have your glasses on, Mr. Secretary? All those in favor of the recommendation of the Reference Committee that this resolution be disapproved, raise your right hand. All those opposed to the recommendation of the Reference Committee, which was to disapprove the resolution, raise your right hand.

The vote is 74 for the Reference Committee's disapproval and 48 against the Reference Committee's disapproval. The Reference Committee's action, which was to disapprove the resolution, is so ordered.

R. J. KOKOWICZ, M.D. [Wayne]: Mr. Speaker, I call for a re-vote. There happens to be fifty-one Wayne delegates and only one voted against it. I counted them myself.

S. E. CHAPIN, M.D.: I am up here.

R. J. KOKOWICZ, M.D.: Forty-nine, then? (Laughter)

THE SPEAKER: Do you want a recount?

R. J. KOKOWICZ, M.D.: I do.

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G. S. FISHER, M.D.: I might mention that I happen to know another delegate who is voting for this. That would make fifty.

THE SPEAKER: It seems to me the vote was very clear. If you want a recount—  
[Cries of "No!"]

### XVIII—6(n). BYLAWS, (CHAP. 6, SEC. 6): INVESTIGATIVE PROCEDURES

S. E. CHAPIN, M.D.: "Whereas, the title of Chapter 6, Section 6 of the Bylaws is entitled, 'Request for Investigations,' and

"Whereas, this Chapter states that 'Disciplinary measures shall be initiated,' and

"Whereas, a request for investigation does not imply the initiation of disciplinary measures; therefore, be it

"RESOLVED: That in Chapter 6, Section 6 of the Bylaws a change of wording be accomplished so that it will read, 'Investigative procedures shall be initiated.'"

I move the adoption of resolution No. 48 as read.

[The motion was severally seconded.]

R. R. COOPER, M.D.: Mr. Speaker, I would like to move that this matter be referred to the new committee of the House that will consider Bylaw changes; the committee that was ordered this morning. It seems to me it is proper business for them. We ordered the setting up of a committee to study all the changes so that there would be no haphazard changes in the Bylaws. It seems to me these changes could very justifiably be sent to that committee for study, instead of in a rather hurried Reference Committee report.

R. E. WUNSCH, M.D.: Support.

THE SPEAKER: All those in favor of the substitute motion, say "aye"; opposed, "no." The motion is lost.

Are you ready for the vote on the original motion? All in favor, say "aye"; opposed, "no." The motion is carried.

### XVIII—6(o). BYLAWS (CHAP. 7, SEC. 3): INVESTIGATIVE PROCEDURES

S. E. CHAPIN, M.D.: Whereas, Chapter 6, Section 6 of the Bylaws has been amended to read, 'Investigative procedures shall be initiated,' and

"Whereas, it is desirable that the Bylaws be as clear and understandable as possible; therefore, be it

"RESOLVED: That Chapter 7, Section 3 be changed to read, 'Initiate investigative procedures' instead of 'Initiate disciplinary measures.'"

I move the adoption of this resolution.

F. P. RHOADES, (M.D.): Second the motion.

[The motion was put to a vote and was carried unanimously.]

### XVIII—6(p). BYLAWS (CHAP. 11, SEC. 5): MEMBERSHIP ON ETHICS COMMITTEE

S. E. CHAPIN, M.D.: "Whereas, the report of the Committee on Committees has recommended to the Society that streamlining of the committee structure of the Society be accomplished; therefore, be it

"RESOLVED: That the following changes be made in Chapter 11, Section 5, of the Bylaws concerning the Ethics Committee, to wit:

"The Committee on Ethics shall consist of five members including the Chairman, appointed by the President with the advice of The Council, each member to serve for a four-year term so staggered that not more than two members are selected annually, and so that no member shall serve more than two consecutive terms."

Mr. Speaker, I move the adoption of this resolution.

[The motion was severally seconded, put to a vote and carried unanimously.]

### XVIII—6(q). BYLAWS (CHAP. 11, SEC. 2): MEMBERSHIP ON POSTGRADUATE MEDICAL EDUCATION COMMITTEE

S. E. CHAPIN, M.D.: "Whereas, the report of the Committee on Committees has recommended to the Society that streamlining of the committee structure of the Society be accomplished; therefore, be it

"RESOLVED: That the following changes be made in Chapter 11, Section 2 of the Bylaws concerning the Committee on Postgraduate Medical Education, to wit:

"The Committee on postgraduate Medical Education shall consist of seven members including the Chairman, with an invitation to the deans of the two medical schools to act in an advisory capacity. Each member of this Committee is to serve for a four-year term so staggered that not more than two members are selected annually and so that no member shall serve more than two consecutive terms."

Mr. Speaker, I move the adoption of this resolution.  
[The motion was severally seconded.]

J. R. HEIDENREICH, M.D. [Menominee]: I think this Committee should have something to say about the recommendations made here because of the complexities of the postgraduate departments of the two universities. It would sort of hamstring and change the Committee considerably if we acted upon this tonight, and I would much rather see this laid over for one year so there can be consultation with the members of the Committee before any attempt is made to change the makeup of the Committee. I move that this resolution be tabled for a year.

F. P. RHOADES, M.D.: I support that.

Those in favor, say "aye"; those opposed, "no." The motion carried.

### XVIII—6(r). CONSTITUTION (ARTICLE X, NEW SEC. 3) VOTING PRIVILEGES OF THE SECRETARY AND TREASURER

S. E. CHAPIN, M.D.: "Whereas, the nature of the positions of Secretary and Treasurer in the Michigan State Medical Society is such that continuity of service is desirable, and

"Whereas, it would be to the disadvantage of the Michigan State Medical Society to change these officers frequently, and

"Whereas, the Secretary and Treasurer of the Michigan State Medical Society are not directly elected by the members of the House of Delegates; therefore, be it

"RESOLVED: That the Constitution of the Michigan State Medical Society be amended by the addition of Section 3 to Article 10, reading, 'The Secretary and Treasurer shall not be entitled to vote while serving on The Council of the Medical Society or the Executive Committee of The Council.'"

THE SPEAKER: This must be laid over for one year, as it is a constitutional amendment. It is so ordered.

S. E. CHAPIN, M.D.: Mr. Speaker, I would like to move the adoption of the complete report of the Reference Committee on Constitution and Bylaws.

[The motion was severally seconded, was put to a vote, and was carried unanimously.] (Applause)

THE SPEAKER: May I introduce Dr. H. P. Hazeltine, President-elect of the Illinois State Medical Society (Applause)

## XXI. ELECTIONS

### XXI—1. COUNCILOR FOURTH DISTRICT

Councilor, Fourth District, to succeed Ralph W. Shook, M.D., of Kalamazoo, deceased.

N. J. HERSH, M.D.: With the unanimous approval of the delegates of the component medical societies, I have the honor and distinct pleasure to nominate William Scott, M.D., of Kalamazoo, for Councilor from the Fourth District.

F. C. RYAN, M.D.: I second Dr. Scott's nomination.

THE SPEAKER: Are there further nominations?

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W. K. LOCKLIN, M.D. [Kalamazoo]: I move nominations be closed and that the Secretary be instructed to cast the unanimous ballot for Dr. Scott.

[The motion was severally seconded, was put to a vote, and was carried unanimously.]

### XXI—2. COUNCILOR 14TH DISTRICT

THE SPEAKER: Nominations are in order for Councilor from the Fourteenth District. B. M. Harris, M.D., is the incumbent.

H. F. FALLS, M.D.: It is a distinct pleasure for the Fourteenth District to recommend as a candidate for Councilor of the Fourteenth District Dr. Bradley M. Harris, the incumbent, who has served in this capacity in a most adequate and rewarding manner, and it is with gratification and also with gratitude for services well performed that we have the honor of recommending his candidacy.

S. T. HARRIS, M.D. [Washtenaw]: I wish to second the nomination.

V. M. ZERBI, M.D. [Washtenaw]: I would like to move that the Secretary cast the unanimous ballot in favor of Dr. Harris.

[The motion was severally seconded, was put to a vote, and was carried unanimously.]

### XXI—3. COUNCILOR 15TH DISTRICT

THE SPEAKER: For the Fifteenth District, to succeed D. Bruce Wiley, M.D., resigned.

W. J. ZIMMERMAN, M.D.: The Fifteenth District, Macomb and Oakland Counties, is privileged to nominate Dr. Robert J. Mason for Councilor for our District. Dr. Mason is a pediatrician in the city of Birmingham. He has served in the County Society for a long period of time, is a Past President, and has been a member of the Board of Directors for many years. Dr. Mason has recently retired from his post as chief of staff at St. Joseph Mercy Hospital in Pontiac.

THE SPEAKER: Robert J. Mason, M.D., has been nominated for Councilor for the Fifteenth District.

E. G. SIEGFRIED, M.D. [Macomb]: I second the nomination of Dr. Mason.

M. A. HAANES, M.D. [Oakland]: I move that the unanimous ballot be cast for Dr. Mason.

[The motion was severally seconded, was put to a vote and was carried unanimously.]

THE SPEAKER: Dr. Mason is declared elected.

### XXI—4. COUNCILOR EIGHTEENTH DISTRICT

E. J. TALLANT, M.D.: It gives me great pleasure to place in nomination for Councilor of the Eighteenth District the name of Dr. William Bromme, the present incumbent, who has served us faithfully and well.

R. E. WUNSCH, M.D.: Mr. Speaker, I move that nominations be closed and that the unanimous ballot be cast for Dr. William Bromme.

[The motion was severally seconded, was put to a vote, and was carried unanimously.]

### XXI—5. DELEGATES TO THE AMERICAN MEDICAL ASSOCIATION

L. F. HAYES, M.D.: It is my pleasant task to place in nomination for delegate to the AMA the name of Dr. O. J. Johnson. In supporting his nomination I would like to point out that he has been a member of this House of Delegates for nine years, and as evidence of his worth he was elected to The Council in 1957. He has also been an alternate delegate to the AMA for six years, and in that capacity has attended each meeting and has plenty of experience to back him up.

G. W. SLAGLE, M.D.: I wish to second the nomination of Dr. O. J. Johnson and state that he has served very well with our delegates and alternate delegates to the AMA.

J. G. SLEVIN, M.D.: I would like to place in nomination the name of Dr. C. I. Owen, the present in-

cumbent, as delegate to the AMA. He has worked very diligently on various committees of the AMA to help us. He is a man whom we can depend upon to help us in all phases of private practice. He is well known to the members of the AMA delegation, having served as a delegate for many years.

G. S. FISHER, M.D.: Mr. Speaker, I would like to second the nomination of Dr. C. I. Owen. I support him. He needs no crutch, I am sure of that. I certainly certify to his ability of being able to walk up and down the corridors of the AMA.

F. C. BRACE, M.D. [Kent]: For delegate to the AMA it is my privilege to nominate Dr. William A. Hyland of Grand Rapids. If we were to list his many services year after year I would take too much time. Moreover, it would not be necessary, because of his wide personal acquaintance. Dr. Hyland has been a delegate from this Society since 1946. He has held many offices in the State Society, being a Past President and a long-term Treasurer. He was Chairman of the recent Committee on Reorganization of the AMA, and was commended nationally for his splendid work.

In addition to these very practical services and achievements in behalf of the medical profession, his friendliness and unfailing courtesy continue to win him many friends for medicine. In these times, when medicine is being attacked from so many unfriendly borders, we need all the friends we can make.

It gives me great pleasure to represent Kent County Medical Society and nominate Dr. William A. Hyland as delegate to the AMA.

C. I. OWEN, M.D.: It gives me great pleasure to second the nomination of Dr. Hyland. I have served with him for many years. He is one of the greatest men in medicine in Michigan, and one of the best known delegates to the AMA. He could have almost any office he might choose to have in that organization.

R. W. TEED, M.D.: Mr. Speaker, I would like to place in nomination the name of Dr. John S. DeTar, incumbent. All of you know Jack. He has been a member of this House of Delegates and served as its Vice Speaker and Speaker. He has been on several important committees in the House of Delegates, as well as a high office in the American Academy of General Practice. It gives me great pleasure to present his name in nomination.

H. A. SCOVILL, M.D. [Washtenaw]: I wish to second the nomination of Dr. Jack DeTar for delegate to the AMA. Dr. DeTar has served faithfully and well in this capacity, and this Society should continue to be represented in our national organization in the typically forceful manner of Jack DeTar.

D. J. SUGAR, M.D.: Mr. Speaker, I move that nominations be closed.

[The motion was severally seconded.]

THE SPEAKER: I believe four names have been submitted; is that right? Four is the number required, so if nominations are closed at this time it would mean that they would be unanimously elected.

D. J. SUGAR, M.D.: I so move.

[The motion was severally seconded.]

[The motion was put to a vote and was carried unanimously.] (Applause)

### XXI—6. ALTERNATE DELEGATES TO AMA

THE SPEAKER: Next is nomination and election of alternate delegates to the AMA.

We will vote on a candidate to fill the unexpired term of Dr. Ralph Shook, which will be a one-year term. We will do that first, I believe, unless you want to do it all together, although I believe it would be better to do it first.

Then we will have nomination for four as alternates.

W. S. JONES, M.D.: Mr. Speaker, may I have the privilege of the floor?

THE SPEAKER: You may.

W. S. JONES, M.D.: May I have the privilege of making a nomination?

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W. S. JONES, M.D.: I asked for the privilege of the floor for the simple reason that the man I should like to nominate is from my own county, and he is the delegate. Nobody else in the county would nominate him. *(Laughter)*

Mr. Speaker, the man I should like to put in nomination is Dr. Heidenreich. He has been in this House for ten years. He has been very active and forthright in his work for the State for many years. I should like to nominate Dr. John R. Heidenreich, of Daggett, Michigan.

THE SPEAKER: Do I understand that this is for the unexpired term of Dr. Ralph Shook? Thank you.

C. I. OWEN, M.D.: Mr. Chairman, I would like to second that nomination and move that nominations be closed and that he be elected.

L. F. HAYES, M.D.: Support.

THE SPEAKER: Are there further nominations? *[The motion was put to a vote and was carried unanimously.]*

THE SPEAKER: Dr. Heidenreich is declared elected. *(Applause)*

G. W. SLAGLE, M.D.: In view of the fact that the Bylaws call for balloting and the individual receiving the highest number of votes having seniority, I would like to move that Dr. Heidenreich assume the position of seniority that Dr. Shook had.

*[The motion was seconded, was put to a vote, and was carried unanimously.]*

THE SPEAKER: The vote for alternate delegates must be by ballot, because we have to establish their seniority. Nominations are now open for alternate delegates, and four are to be elected.

F. H. POWER, M.D. [Grand Traverse]: Mr. Speaker, I wish to place in nomination the name of Dr. E. F. Sladek of Traverse City. He served as President of our State Medical Society in 1948, and for years has been an alternate delegate to the AMA. He has taken considerable interest in the affairs of the AMA. Dr. Sladek very definitely would like to continue as an alternate delegate to the AMA. I seek your support of his nomination.

E. M. VARDON, M.D.: Mr. Speaker, I would like to place in nomination the name of a man who has been very well known and well thought of both on the local and State levels. He is known throughout the State. He has held many high positions of responsibility and trust not only in our local Society but in the State Society and also in many national societies.

It gives me great pleasure to nominate Dr. Warren Babcock.

R. R. Garneau, M.D. [Manistee]: It is with great pleasure that I second the nomination of Dr. Sladek of Traverse City for alternate delegate. He is well known to many of the members of the House and has been a tireless worker for the Michigan State Medical Society for years.

D. A. BOWMAN, M.D.: I would like to nominate a man who needs no introduction, our Past President, Dr. Gilbert Saltonstall, as alternate delegate to the AMA.

F. L. TROOST, M.D.: Mr. Speaker, I would like to nominate for alternate delegate Dr. John Wellman, of Lansing. Dr. Wellman has been in Lansing for twenty-five years. He has been a member of this House for eleven years. He is a Past President of the Ingham County Medical Society. He is a Director of Blue Shield. He is Chairman of the Medical Advisory Committee of Blue Shield.

Not only does he have time to conduct his practice, but he takes a great deal of time in our affairs. I think his two outstanding qualities are his absolute integrity and his unfailing sense of fairness.

G. W. SLAGLE, M.D.: I would like to second the nomination of Dr. Gilbert Saltonstall, who was my successor and who has carried on an excellent career and has done a terrific job as President during the past year.

V. M. ZERBI, M.D.: I would like to place in nomination the name of Dr. Bradley Harris as alternate delegate to the AMA.

G. S. FISHER, M.D.: I would like to second the nomination of Dr. Warren Babcock as alternate delegate.

T. G. KABZA, M.D. [Washtenaw]: I would like to second the nomination of Dr. Babcock.

J. W. RICE, M.D.: I would like to move that nominations be closed.

H. W. HARRIS, M.D.: Before nominations are closed, I would like to second the nomination of Dr. Wellman. *[The motion was seconded, was put to a vote, and was carried unanimously.]*

THE SPEAKER: The nominees are Dr. Sladek, Dr. Babcock, Dr. Saltonstall, Dr. Wellman and Dr. Harris. You will vote for four and use the second ballot in the Handbook.

G. W. SLAGLE, M.D.: Mr. Speaker, I wonder if the delegates are fully cognizant of the fact that they should vote in the order of their preference, 1-2-3-4, in order to decide the seniority of the alternates. A few years ago that was not done and we had to do it all over again.

*[Balloting.]*

THE SPEAKER: The alternate delegates have been elected in this order of seniority: Dr. W. W. Babcock, Dr. Gilbert Saltonstall, Dr. John Wellman and Dr. B. M. Harris. *(Applause)*

### XXI—7. PRESIDENT-ELECT

J. M. WELLMAN, M. D.: Mr. Speaker, may I please ask that the Vice Speaker assume the Chair?

*[The Vice Speaker assumed the Chair.]*

J. M. WELLMAN, M.D.: It is my distinct honor and pleasure as representative of the Ingham County delegates to place in nomination for President-elect the name of Dr. K. H. Johnson.

Dr. Johnson is a general practitioner who is highly respected by his colleagues and beloved by his patients. He has served in many capacities in our County Society, including the Presidency. He has been a delegate to this House of Delegates for nine years, during which time he has served as Vice Speaker for two years and at the present time is completing his third term as Speaker.

We are all well aware of the very diligent and excellent manner in which he has conducted the proceedings of this House. By virtue of his position he is also a member of The Council and Executive Committee of The Council, to which he has devoted a great deal of time and effort.

Dr. Johnson's appreciation of the problems of organized medicine is very comprehensive, and those problems are close to his heart. We believe he has the qualifications that would make him an outstanding President of this State Medical Society.

Historically I would like to state that the last President from Ingham County was Dr. George Ranney in 1891. I repeat, we are proud to submit the nomination of Dr. Ken Johnson.

THE VICE SPEAKER: Dr. Johnson has been nominated.

J. W. RICE, M.D.: I would like to second the nomination of Dr. Johnson.

THE VICE SPEAKER: Are there further nominations for the office of President-elect?

F. D. JOHNSON, M.D. [Genesee]: It gives me great pleasure and I consider it a great privilege to place in nomination the name of Dr. Jackson Livesay, of Genesee County.

Able, clear-headed, conscientious, courageous, calm, fair-minded man, who has demonstrated his faithfulness and durability by serving in this House for sixteen years, and who has capably handled both the duties of Vice Speaker and Speaker of this House, he has left the House of Delegates only because he was asked to serve as President of the Genesee County Medical Society. His present term expires in one month.

We know that he will honor us from Genesee County by the services he will render as President-elect. We believe his conduct in this office will do much to heal

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the wounds of this Society, and we know he will insist on the democratic conduct of the operation of same.

THE VICE SPEAKER: Dr. Jack Livesay has been nominated for President-elect.

W. S. CARPENTER, M.D.: I think it would be appropriate at this time to ask Dr. Livesay to stand so we can see him. Maybe some do not know him. (*Applause*)

THE VICE SPEAKER: Are there further nominations for President-elect?

L. F. HAYES, M.D.: Mr. Vice Speaker, I move that nominations be closed.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

[*Balloting.*]

THE VICE SPEAKER: The tellers report as follows: The President-elect is Dr. Kenneth H. Johnson.

[*The House arose and applauded.*]

THE VICE SPEAKER: It is the custom to have two or three delegates conduct the President-elect to the rostrum but since he is already here we will let him speak for himself.

SPEAKER JOHNSON: Gentlemen, I would be less than human if I were not deeply proud to be selected as your President-elect. While I did not personally seek this office, I am deeply grateful for those who supported my candidacy.

I accept the office in all humility, and I trust I shall fulfill the responsibilities with the same effort and courage and success that my predecessors have done.

Thank you very much. (*Applause*)

[*The Speaker resumed the Chair.*]

THE SPEAKER: Now I will put on my other hat. I believe it is proper for the Speaker to finish out the session.

## XXI—8. SPEAKER OF THE HOUSE OF DELEGATES

L. A. DROLETT, M.D.: Mr. Speaker, I would like to place in nomination the name of a man who has done such an able job as Vice Speaker of this House for the past three years, my very good friend Jim Lightbody, from Wayne County. I think Jim has done an excellent job, and I certainly think he is a marvelous parliamentarian. I know he will conduct the business of this House as it has been done in the past several years.

I nominate Dr. James Lightbody as Speaker of the House.

W. B. MCINTYRE, M.D.: I would like to nominate for Speaker Dr. C. I. Owen. Dr. Owen has held many positions in the State Society. He is well known both at the local, State and national level. I heartily encourage his election as Speaker.

THE SPEAKER: Are there further nominations?

L. F. HAYES, M.D.: I move that nominations be closed.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

[*Balloting.*]

THE SPEAKER: Gentlemen, I should like to introduce to you the next Speaker of the House of Delegates, Dr. Jim Lightbody.

[*The House arose and applauded.*]

THE VICE SPEAKER: I too am a bit overwhelmed, but I do want to express my deep appreciation for this honor.

It was quite a number of years ago that Wayne County had the privilege of having a Speaker, and I am sure quite a number of you remember Pat Ledwidge. We have had great many very fine Speakers and Vice Speakers in the House of Delegates. I hope I will be able to emulate those men and carry on the fine tradition of Speaker.

I want to express my deep appreciation to Ken Johnson because he has helped me a great deal. He has done a tremendous job in the years that he has been Vice Speaker and Speaker of the House. In spite of

the fact that Ken Johnson was given a rousing ovation on being elected President-elect, I think we should give him another ovation for the tremendous job he has done as Vice Speaker and Speaker of the House.

(*The House arose and applauded.*)

(*The Vice Speaker resumed the Chair.*)

## XXI—9. VICE SPEAKER OF THE HOUSE OF DELEGATES

S. A. FIEGEL, M.D.: It is my distinct honor and privilege to present the name of John W. Rice of Jackson. He is known to most of us. He was a member of this House for the first time some eleven years ago. He was out and then came back again. He has served this House in many capacities. He has been on reference committees, and we all remember the excellent report he gave this morning as Chairman of the Reference Committee on Miscellaneous Business.

He is a Past President of the American Academy of General Practice. He is now a delegate to the Congress of Delegates to the American Academy of General Practice. He is very cognizant of what is going on. He is very civic-minded. He is a past member of the School Board in his home town of Jackson. He is Past President of the Jackson Chamber of Commerce.

I would like to present the name of John W. Rice.

THE VICE SPEAKER: John Rice is nominated.

D. A. BOWMAN, M.D.: I would like to second the nomination of Dr. Rice.

H. A. SCOVILL, M.D.: I wish to place in nomination the name of Dr. Harold Falls of Ann Arbor as Vice Speaker of the House of Delegates. Dr. Falls has served the Society well both in the House of Delegates for several years and on various committees. He has demonstrated his administrative ability and his capacity to conduct the affairs of this Society in a calm and orderly fashion. Dr. Falls' knowledge and deep interest in this Society well qualifies him for this important office.

THE VICE SPEAKER: Dr. Falls has been nominated. Are there further nominations?

R. W. TEED, M.D.: Mr. Vice Speaker, it is a pleasure and honor to second the nomination of Dr. Harold Falls as Vice Speaker.

H. W. PORTER, M.D. [Jackson]: I should also like to second the nomination of my friend Dr. Rice.

J. A. FERGUSON: Mr. Vice Speaker, I would like to nominate for this office a man who has impressed all of us with his clear thinking. I would like to nominate Dr. L. F. Hayes, of Gaylord.

THE VICE SPEAKER: Are there further nominations?

F. L. TROOST, M.D.: I move that nominations be closed.

D. A. BOWMAN, M.D.: I would like to second the motion.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

[*Balloting.*]

THE VICE SPEAKER: The tellers have reported. The new Vice Speaker is Dr. Falls. (*Applause*) Will Dr. Falls please come to the rostrum? (*Applause*)

H. F. FALLS, M.D.: I am deeply honored to be elected to this position. I think it has been singularly important that I am honored by having as predecessors the two men who are our Speaker and our Vice Speaker, Dr. Johnson and Dr. Lightbody. They will give me an excellent example as to what I have to strive for in order to do an efficient job for you.

I want to take this opportunity to thank the men who sponsored me and who succeeded in giving me this position. I hope sincerely that as your duly elected representative I may be successful in aiding in the unity of this organization. I feel this deeply, and I want it understood that as your representative I will be here with the intent to serve you to the best of my capacity and ability.

Thank you. (*Applause*)

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THE VICE SPEAKER: Is there any other business to come before the House at this time? Are there any further resolutions to be presented? This is your last opportunity.

If there is no further business, we will adjourn until 8 a.m. tomorrow morning.

[The meeting adjourned at 11:30 p.m.]

### WEDNESDAY MORNING SESSION

September 30, 1959

The meeting reconvened at 8:30 a.m., K. H. Johnson, M.D., Speaker of the House of Delegates, presiding.

### XVIII—5(d). SPRING SESSION OF MSMS HOUSE OF DELEGATES

We have a supplemental report from the Reference Committee on Rules and Order of Business.

B. P. Brown, M.D.: Mr. Speaker, the Reference Committee on Rules and Order of Business considered resolution No. 53.

"Whereas, the amount of work required by the House of Delegates at the Annual Session has been gradually increasing, and

"Whereas, the number of meetings of the House of Delegates has been more and more, even extending into four days, and

"Whereas, the work of some of the reference committees has become of such magnitude that time has not allowed thorough discussion and resolution of the problems at hand; therefore, be it

"RESOLVED: That the House of Delegates of the Michigan State Medical Society meet in a one-day session to resolve a portion of its functions the day prior to the meeting of the Michigan Clinical Institute in March of each year, for such work as is deemed necessary."

The Reference Committee agrees with this resolution in principle, but wishes to change the resolution to read as follows:

"RESOLVED: That the House of Delegates of the Michigan State Medical Society meet in a spring session prior to the meeting of the Michigan Clinical Institute in March 1960, at which time consideration can be given to making this session an annual affair."

Mr. Speaker, I move the adoption of the substitute resolution.

E. G. KRIEGL, M.D.: Second the motion.

A. D. RUEDEMANN, M.D.: Mr. Speaker, I would like to bring out the point that we have gathered here approximately 125 to 175 very valuable medical men who are sitting around listening to resolutions. Yesterday we had a luncheon and a cocktail party, and the certification of candidates, and so on, for Directors of Blue Shield-Blue Cross, which I think is all out of proportion to what it proposes to do.

I would like to recommend that we use that time for our committees here, and do away with the necessity of a spring meeting. I think all the work that was done yesterday on Blue Shield-Blue Cross from luncheon on could have taken one hour. If we don't need two or three days to certify the men who come, and to elect our Speaker and President, we certainly don't need all that time to certify the Directors of Blue Shield and Blue Cross.

W. C. BEETS, M.D.: Mr. Speaker, I think for 150 men to get together one day in the spring is a rather costly business, too. I agree with Dr. Reudemann that perhaps we can step up the efficiency. I am definitely opposed to having a spring meeting.

J. D. MILLER, M.D.: How much would it cost?

W. C. BEETS, M.D.: \$100 gross a day for surgeons, for example, is quite a little expense, plus traveling and meals.

W. B. McINTYRE, M.D.: Could the meeting (provided the resolution is approved) be considered a regular

meeting? In other words, would it be a regular meeting at which business would be taken care of? I think that point should be clarified.

THE SPEAKER: The House has the privilege of deciding when it will meet. I would consider that to be a regular meeting. It would not be an annual meeting but would be a regular meeting in the sense that it would not be a special meeting. In other words, it would not be called to consider some specific bit of business.

W. C. BEETS, M.D.: Mr. Speaker, getting back to the subject of economics, I forgot to say that it may be very costly to the Society's treasury, too. It costs money to hold this meeting, doesn't it?

THE SPEAKER: There is no doubt that it costs money to have a meeting.

J. W. RICE, M.D.: I am very much impressed by the people who desire to work. I don't feel I want to work every day in the year. There is one thing to be said for this substitute resolution. We have been complaining about not knowing what is going on and what is being done in some of our committees and Blue Shield. By having a meeting in the spring we would have more current reports and could handle more current business.

W. W. BABCOCK, M.D. [Wayne]: Mr. Speaker, may I have the privilege of the floor?

THE SPEAKER: You may.

W. W. BABCOCK, M.D.: If this resolution were passed, it would have to come as an amendment to the Constitution and Bylaws; is that true?

THE SPEAKER: No.

W. W. BABCOCK, M.D.: Then I am mistaken. The Speaker has a right to call a special meeting if the occasion should so demand.

THE SPEAKER: The only difference, Dr. Babcock, as a result of twenty-five members of the House or a two-thirds vote of The Council, is that a special meeting is required to consider only one particular item of business. The idea of having a spring meeting next year, as I understand it (and I think that is what the Reference Committee had in mind), would be to evaluate and see whether it would accomplish anything if we had such a meeting. We could try it and see. That is my opinion. It would be a regular meeting. I think if you will consult the Bylaws you will find that the House may decide at any time when it will meet.

M. A. DARLING, M.D.: Mr. Speaker, may I have the privilege of the floor?

THE SPEAKER: You may, Dr. Darling.

M. A. DARLING, M.D.: One of the criticisms that comes up constantly is the delay of business. If you go back over the proceedings of the House of Delegates for several years you will find that business has been referred to The Council because there was not sufficient time to discuss it at the House of Delegates meeting.

It would seem to me that the business of this House could be materially expedited with a semiannual meeting, if necessary, rather than an annual meeting. At the end of each session of the House of Delegates, there is a paucity of men left, particularly if we have an extra session and the meeting is held over.

Late in the evening there is not a full representation of the delegates of the House. They are in reference committee meetings and other places. It would seem to me, as the Speaker suggested, to be well worth while to at least try it out for one or two meetings. Then, instead of waiting twelve months to have a decision made, the decision could be made at the end of six months.

E. C. BAUMGARTEN, M.D.: Mr. Speaker, does this resolution refer particularly to just one meeting, or would it set a precedent from now on?

THE SPEAKER: The Reference Committee's resolution is to the effect that it be only one meeting and then a decision would be made, in which case I think you might very well require a change in the Bylaws if you were going to do it that way. This particular resolution calls for one such meeting.

G. S. WILSON, M.D.: I read an article recently on

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**"Purposeful Inactivity."** Many of the things we discuss here at our annual meeting are not things that can be suddenly and radically changed, no matter how many meetings we have.

With all due respect to this House, I don't think much more would be accomplished by having an extra meeting. I think one day would only serve to let us get acquainted with one another.

**F. L. TROOST, M.D.:** I don't believe we could legally hold such a meeting. Section 4, Chapter 9 of the Bylaws states:

"The House of Delegates shall meet annually at the time and place of the meeting of this State Society as a whole, as when it meets in general session, and may hold such number of meetings as the House may determine or its business require, recessing from day to day as may be necessary to complete its business and specifying its own time for the holding of its meetings. The House of Delegates may also be called into session at any time by the Speaker upon a two-thirds vote of The Council, or on petition of twenty-five per cent of the delegates. The purpose of such special sessions shall be stated in the notice to call."

I agree that it takes an amendment to the Bylaws to be able to hold such a meeting next March.

**THE SPEAKER:** I suppose this is a matter of interpretation. When I read it I thought it meant we could have another meeting. When you read it, however, I'm not so sure.

**The Chair will rule that this resolution is out of order.** I think if you want a meeting of this type you will have to have a petition of 25 per cent of the delegates or a two-thirds vote of The Council. I will make that ruling and will be very glad to have a vote on it.

**E. G. KRIE, M.D.:** I would like to appeal from the ruling. Mr. Speaker. The effect of passing this resolution would be 100 per cent approval by this House, not 25 per cent approval.

**J. A. WITTER, M.D. [Wayne]:** I would like to enter a plea to improve the time we spend in the House, rather than holding another meeting. I feel very much as Dr. Reudemann does—that our Tuesday afternoon could probably be better utilized. It does not seem we would actually have to devote an entire afternoon to hearing the report of the Blue Shield group. This House of Delegates could adjourn as the House of Delegates and immediately convene as the corporate body of Blue Shield, and have a meeting which perhaps might take half an hour. The election could be carried on by some other device, even by mail or by a more expedient method than having each man stand up to receive a ballot. The House could then reconvene and go on with its business.

As we are well aware, we have gradually extended our meetings, starting Sunday evening, tapering over into Wednesday, missing scientific meetings. I think we should be able to improve our techniques somehow.

**THE SPEAKER:** The Chair has ruled this resolution out of order. Is there an appeal from the ruling of the Chair?

**D. I. SUGAR, M.D.:** I think it would expedite matters greatly if Blue Shield would send us a financial statement and their speeches, and then we could read them. If they feel called upon to give the speeches, we can give them a room and they can speak to each other. (Laughter)

**THE SPEAKER:** To get back to the ruling of the Chair, I think the only way this could be handled would be to have the resolution taken outside, and if you can get 25 per cent of the delegates here to sign it we will talk about it some more; otherwise I rule it out of order. (Applause)

I would only like to comment that after all, gentlemen, there has been a great deal of talk about what Blue Shield has done and hasn't done, and I think simply to cut them off without a drop of water is rather rough. That is just my opinion.

**J. B. BLODGETT, M.D.:** Mr. Speaker, a point of personal privilege.

**THE SPEAKER:** You have the floor.

**J. B. BLODGETT, M.D.:** Gentlemen of the House, certain misconceptions may have arisen regarding the objectives of the delegates from Wayne, where nearly half of the service of the Blue Shield subscribers is provided. To clarify this situation to this House, I would like to read to you a statement that has been agreed to by the caucus of the Wayne delegates. This is the statement with which we agree:

"All of us believe in the concept of prepaid medical care. We also believe in the concept of medical service for certain low income groups, and are willing to give up certain prerogatives to accomplish this type of care for our patients.

"Believing in the service principle, we recognize the need for participation by as many doctors as possible. However, we believe that high participation should be accomplished by producing a type of contract which is so widely approved and flexible that it receives wide voluntary participation.

"We do not believe that participation should be obtained by any form of coercion, no matter how subtle, nor through a simple expedient of a fee schedule.

"It is to obtain a contract in which we can all participate that we are here today. We are here to exchange ideas with all the doctors of Michigan and to make necessary modifications and enlargements so that a truly satisfactory contract can be arrived at by a democratic process of continuing evolution." (Applause)

### XVIII—13. ON MEDICAL SERVICE AND PREPAYMENT INSURANCE

**D. N. SWEENEY, M.D.:** Mr. Speaker, your Reference Committee on Medical Service and Prepayment Insurance is prepared to present a complete report at this time. This Reference Committee is sorry to have been the cause of the inconvenience necessitating an added session of the House of Delegates, but the mass of information presented to it for review and the importance of unhurried proper consideration of these data have prolonged our deliberations.

First, I would like to thank the Speaker and those with whom he consulted for providing me, as Chairman of this Reference Committee, with Committee members who are not only well versed in background material on prepayment problems but who were also untiring in their invaluable and wise assistance during our many meetings. I express my thanks to these men: Sidney Adler, M.D., Herbert W. Harris, M.D., John R. Heidenreich, M.D., Robert L. Novy, M.D., Don Marshall, M.D., Clarence Owen, M.D., and Don W. Thorup, M.D.

I would also like to express my appreciation to several gentlemen who were present by invitation for information. They are: Dr. Max L. Lichten, Dr. G. Thomas McKean, President of Michigan Medical Service; Mr. Gordon Goodrich and his staff of the Michigan Medical Service; Mr. William S. McNary, of Michigan Blue Cross; Mr. Lester P. Dodd, Counsel for the Michigan State Medical Society; Mr. Frederick Bueser, Counsel for the Wayne County Medical Society.

I would be remiss at this point if I failed to thank the members of Dr. D. Bruce Wiley's staff of this Society who cheerfully worked not only during the day but late last night typing, mimeographing, and helping me with my spelling. Most especially our thanks go to Miss Vesta Bracy, Mr. Richard Philleo and Mr. Herbert Auer.

This Reference Committee was presented with fifteen resolutions, two reports of special committees, and one report of a permanent standing committee, for consideration. This report will be presented by sections arrived at by arbitrarily grouping resolutions on related subjects.

The Reference Committee in its open sessions allowed all interested members of this Society and the several

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invited guests mentioned above to participate in the discussions.

The first item of business had to do with a group of resolutions that concerned themselves with (1) income ceilings for service contracts, and (2) total family income versus wage-earner income as a basis for this service. These original resolutions will be read without comment but for clarity and completeness of this report.

### XVIII—13.(a). MODIFICATION OF M-75 TO \$5000, (b). MODIFICATION OF M-75 INCOME LIMIT TO \$6500, (c). MMS: FAMILY INCOME LIMIT DETERMINATION, (d). MMS: DETERMINING TOTAL ANNUAL FAMILY INCOME

[Dr. Sweeny read resolutions Nos. 4, 5, 16 and 42 as originally presented.]

D. N. SWEENEY, M.D. [continuing]: This Reference Committee offers substitute resolution "A," of which you have a mimeographed copy and which I shall read. This resolution is offered as substitute for the four resolutions that have just been read, namely, resolutions No. 4, 5, 16 and 42.

This is the substitute resolution "A":

"Whereas, it appears that the income level for service contracts as established by the MSMS two years ago was unrealistic in two directions—(1) the method of determination of income, and (2) the maximum income level to be covered by service, and

"Whereas, for two years the MSMS has been committed to its members and to the public by this action, and

"Whereas, the medical profession must honor its commitments, and

"Whereas, any change will require re-evaluation of fee schedules, actuarial contract adjustments, approval of the Insurance Commissioner of the State of Michigan, and public acceptance; therefore, be it

"RESOLVED: That the basis for service contracts be determined on total family income, and that any preceding action to the contrary is hereby rescinded; and be it further

"RESOLVED: That as soon as feasible, the maximum total family income for service contracts be established at \$6,500; and be it further

"RESOLVED: That the present status of service contracts, including the sale of existing contracts, be continued until such time as these changes are satisfactorily implemented; and be it further

"RESOLVED: That the Board of Directors of Michigan Medical Service be informed of these changes in policy, and be requested to proceed with their implementation forthwith."

Mr. Speaker, I understand there will be a minority report on this majority report.

Mr. Speaker, I move the adoption of the substitute resolution.

W. C. BEETS, M.D.: Second the motion.

R. L. NOVY, M.D.: I have signed the report and I am a member of the Reference Committee. I wish to say something at this time.

I understand also that there is to be a substitute motion made for this motion of the Reference Committee. That came to my notice at ten minutes after eight this morning. I have just succeeded in having a copy of it and reading it. Last night at one o'clock there was no such thing in existence, and to the best of my knowledge it had not been discussed by the Reference Committee.

I am therefore commenting on the surprise setup with which we are confronted.

J. W. RICE, M.D.: Mr. Speaker, may I ask for a point of information? This substitute resolution embodies two distinct features. One is the total family income, and the other is the ceiling on policies to be sold.

May they be voted upon separately?

THE SPEAKER: If there is no objection, it will be so ordered.

J. W. RICE, M.D.: Am I in order to make a motion that because of the serious nature and the great division of opinion on this matter, any voting that is done on the substitute resolution be done by ballot? May I make that motion now?

R. R. COOPER, M.D.: I object to a vote by ballot, and move that we present it to the House for decision.

THE SPEAKER: All right. This will be a simple majority. The motion is that we vote by ballot.

R. W. TEED, M.D.: I second it.

THE SPEAKER: All those in favor, say "aye"; opposed, "no." We will have a show of hands.

The vote is 40 for and 70 opposed. The motion is lost.

F. B. LEVAGOOD, M.D.: I would like to rise to a point of order, Mr. Speaker. I question the validity of a minority report when the Reference Committee has stated through one of the senior members that he did not even know of its existence until this morning.

THE SPEAKER: The ruling of the Chair is that the Reference Committee had adjourned, and therefore the so-called minority report is out of order. He certainly has the privilege of the floor to speak as an individual. (Applause)

Now, I believe the only thing we have done so far has been to divide this resolution into two resolutions, the first two Resolveds in one motion and the second two Resolveds in another.

J. B. BLODGETT, M.D.: Mr. Speaker, we have moved to divide the question. I move that we take action on the first "Resolved" at this time, and then we can discuss this portion at the first "Resolved."

[The motion was severely seconded.]

THE SPEAKER: It is moved and seconded that we take up the first "Resolved," which is that the basis for service contracts be determined on total family income, and that any preceding action to the contrary is hereby rescinded.

Is there discussion on this portion?

G. S. WILSON, M.D.: Personally, I like that first portion, and I would like to know how it would be expedited if we voted on it. It is a matter of practicality, not a matter of being for or against. This would require expert opinion.

THE SPEAKER: The only way I can see that this could be handled under the circumstances would be to decide whether or not you are going to accept or reject this particular portion. I would say that if you accept it, it would become law and would go into effect. If you reject it, then I would think it would be defeated.

The question is whether or not you come up with two substitute resolutions or whether you come up with one embodying both of them. That is the problem at hand.

R. L. NOVY, M.D.: To answer the question (and I don't pose as an expert), it is necessary to look at the third "Resolved": "That the present status of service contracts including the sale of existing contracts be continued until such time as these changes are satisfactorily implemented."

THE SPEAKER: As far as I am concerned, gentlemen, all you have done is to consider these two points separately. If you approve both of them, then I would think they could be incorporated into one resolution. If you disapprove, then you will end up with only one part of the resolution.

Are you ready for the question? The question is called for. All those in favor, say "aye"; all those opposed, "no."

J. W. RICE, M.D.: What are we voting on?

THE SPEAKER: The motion is to approve the first "Resolved," which is "That the basis for service contracts be determined on total family income and that any preceding action to the contrary is hereby rescinded."

Dr. Novy called attention to the fact that the third "Resolved" says: "That the present status of service contracts including the sale of existing contracts be continued until such time as these changes are satisfactorily implemented." However, you are not voting

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on this last "Resolved." You are voting only on the first "Resolved" because you asked for a split.

J. W. RICE, M.D.: That is correct, but I have heard no discussion of the first "Resolved."

THE SPEAKER: The question was called for.

All those in favor, say "aye"; opposed, "no." The motion is carried.

H. W. HARRIS, M.D.: Mr. Speaker, I may have been denied the podium but I am still a member of this body, as far as I know, and I would suggest that maybe the things that are in our report would be of interest to this House. I think that should be decided now.

THE SPEAKER: Dr. Harris, you have the privilege of the floor, I believe, if you want to speak as an individual. Please do so.

H. W. HARRIS, M.D.: Mr. Speaker, I am no longer on the Reference Committee; is that right?

Gentlemen, the innuendo has been inserted here that this was something done behind the backs of this Reference Committee. Perhaps the method by which this was done was wrong. I wouldn't be here to say that it was not wrong.

To begin with, I would like to say that the deliberations of this Reference Committee were carried on in the most quiet, dignified and gentlemanly manner due to its Chairman and the way in which he handled the business.

However, throughout our deliberations of this substitute resolution there was constant disagreement on some of the parts of this resolution. This was discussed for half a day in our many meetings, and it was indicated that had we stayed there last night and had brought it up, we wouldn't have been ruled out of order this morning.

To set the matter straight, and since we have more or less been pointed at, I would like to say that when we adjourned at 2 o'clock this morning I said, "Although the time is late, I would like to further consider this thing, which to me is unsettled." I hope the Chairman will bear me out in that.

I was told that the matter was settled and we agreed to it, and it was late and we ought to be in bed. I couldn't deny that. And so the meeting broke up.

However, due to the fact that three of us happen to be on the same floor in this hotel and walked down the hall together—I had a room at the end of the hall, and we walked in and talked further about this matter.

It should be no surprise to Dr. Novy or anybody else on the Reference Committee to know that I was unhappy about this resolution. It went through our total discussion, and where the thing was put on paper, I have explained, was in my room. Perhaps I was more responsible for it than anybody else.

What we have been pleased to call a majority report of this Reference Committee, I would like to point out to you, is signed by four members, which constitutes half of the Reference Committee. So, although the minority comes from those who spoke last, I guess, without further I would like to read, if I may—

J. W. RICE, M.D.: Mr. Speaker, is there a rule that a minority report is not acceptable? I ask you, Mr. Speaker, to rule on this.

THE SPEAKER: My ruling is that as long as Dr. Harris is presenting this as an individual, he is all right. I don't think any reference should be made to "minority" any longer. We will leave it up to the men who wish to consider themselves a minority or not, in order to discuss the matter.

H. W. HARRIS, M.D.: Then may I be privileged to read what we said:

"We have carefully studied and indeed had a part in writing the above substitute resolution which was read by your Reference Committee Chairman—"

THE SPEAKER: Just say "I," not "we," Dr. Harris. You are presenting this as a substitute resolution.

H. W. HARRIS, M.D.: My name is Harris, from Ingham. (*Laughter*)

"I believe the acceptance of this Reference Commit-

tee's report may ultimately be advisable—." Maybe I had better start over again.

"I have carefully studied and indeed had a part in writing the above substitute resolution. I believe the acceptance of this Reference Committee's report may ultimately be advisable; but in view of the pending study by a group from the National Blue Shield Medical Care Plans, and in view of recurrent study of health insurance presently being conducted by the University of Michigan, and in view of the drastic changes involved in altering the contract already being sold, and the possible repercussions affecting this sale, therefore I propose that no action be taken on this substitute resolution 'A' as submitted by the Reference Committee, until the results of these studies are available and may be used to further clarify this subject."

THE SPEAKER: Are you making that in the form of a motion?

H. W. HARRIS, M.D.: I move this as an amendment.

THE SPEAKER: It would be a new motion.

H. W. HARRIS, M.D.: I then move this as a substitute motion, Mr. Speaker.

R. R. COOPER, M.D.: A point of order, Mr. Speaker. I don't want to create a fight. That is the last thing I want to do. However, I was under the impression that there is no motion on the floor to make a substitute for. I believe we have passed on the first "Resolved."

THE SPEAKER: The Chairman of the Reference Committee made a motion that this resolution be accepted, and it was seconded by Dr. Novy, who said he was a member of the Reference Committee. The thing we did vote on was the first "Resolved."

C. W. COLWELL, M.D. [Genesee]: I think we have already passed that resolution.

THE SPEAKER: You passed part 1 to be included in the resolution. You asked that it be considered twice, in separate motions.

C. W. COLWELL, M.D.: We voted on it and passed it.

THE SPEAKER: It is the ruling of the Chair that inasmuch as the House has passed the first part, that this resolution of Dr. Harris', which is in effect to postpone action, would only involve part 2 of the "Resolved."

C. W. COLWELL, M.D.: Then the first part was passed?

THE SPEAKER: That is correct.

J. M. WELLMAN, M.D.: I would like to support the substitute resolution made by Dr. Harris.

R. W. TEED, M.D.: Mr. Speaker, I would like to speak to the substitute motion.

The original resolution presented decreases the limit for service contracts from \$7,500 to \$6,500. This, I believe, is a step backward and should be considered very carefully.

I will not take the time of the House to go into all the discussions that were held in the House of Delegates and in the Reference Committee on this subject, both in 1957 and 1958. Those are matters of record and can be read.

However, I would point out that the subject of limits was very, very carefully considered, and it was concluded that the limits as they were set by the House of Delegates at that time adequately covered a proportion of approximately 80 to 85 per cent of the population of the State of Michigan in a similar way that the original \$2,500 limit policy covered a similar percentage back in 1941.

Now, I don't believe we are talking about a principle here, because the resolution as stated accepts the principle of some income liability. We are therefore discussing only the amount.

There has been some intimation by some members of the House that these limits were arrived at in a devious manner, and were foisted upon the profession of Michigan by certain people who had some sort of axe to grind. I don't believe that is true. I think this was arrived at by a laborious, time-consuming study, and I believe the study was adequate.

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There has also been the intimation that this was not done on the basis of reality. I believe this was done in response to a very definite public demand. If we say that we were not pressured into this, again we do not tell the truth. We were.

If you will go back to 1938 and 1939, when this was originally set up, we were under pressure by the Roosevelt Administration and the socializers in that Administration, and the Wagner-Murray-Dingell bill was a very definite threat; in fact, that was the thing that brought this out in the beginning.

Later, in the Truman Administration we were under pressure from Oscar Ewing, and we made further improvements in the contract. Still later we were under pressure from the standpoint of unions.

What does all this mean? It means simply that the public is demanding service coverage at a price that they can afford to pay, and under conditions which will allow them to budget this cost over a period of time, and not be saddled with an excessive, unexpected fee at the time illness strikes.

I do not believe we can sit here as a House of Delegates and arrive at conclusions which do not take into account the public demand and public interest. To say that this was not established in response to a definite public demand is certainly unrealistic.

If we believe that the politicians in Washington who are supporting the Forand type legislation are doing this of their own accord for political reasons, I think we are fooling ourselves.

If we think that the union—the UAW, to be specific—is not setting up CHA for its own selfish interests, I believe we are deluding ourselves.

These people are merely expressing a public demand. In August, I attended the Public Relations Institute of the AMA in Chicago, and I listened to the Vice President in charge of group insurance for the New York Life Insurance Company make the statement that the public is demanding service coverage at a price it can afford to pay. I don't believe anybody would accuse the New York Life Insurance Company of being a socialistic organization.

This I believe is something that the public demands and something they are going to get. If we don't provide it, someone else will.

The attacks that have been made against the Michigan Medical Service over the last year or more have caused not only a serious division in the Michigan State Medical Society but have also raised grave doubts on the part of the public as to whether our contracts will be honored. A clipping on the bulletin board is illustrative of this.

I have heard instances where salesmen for commercial insurance carriers have quoted this split as authority for the fact that Blue Shield was going under, and that if people want health insurance they had better buy it commercially.

I feel we are going backward in taking this step, and I feel that to keep up with the public demand and provide service the public will accept, we should accept the substitute resolution.

Thank you. (*Applause*)

F. B. LEVAGOOD, M.D.: I might remind you gentlemen that Wayne did not introduce the resolution you are discussing at the present time. This was introduced by one of the most competent sub-chairmen I have ever seen on this platform—Dr. Rice. He introduced the resolution for the \$6,500 level.

Gentlemen, we do believe in service, and Dr. Blodgett gave a very brief résumé this morning of what the constituents of the Wayne County delegates usually do. They do believe in Blue Shield, and they do believe in service contracts. There is some difference of opinion regarding the level which they believe in. They are not willing to go along with high-level contracts, and I don't think most of you are, either.

I have been shocked, as many of you here have been, by the attacks that have been made on people who are

trying to do things by a normal democratic process. They are not getting into attacks on Blue Shield. People have objected to the way things have been done. If Wayne County, with 50 per cent approximately (or a little less) of all the contracts that are serviced—if you add Oakland and Genesee, 82 per cent of the new M-75 service, the people are a little unhappy.

I don't think there is any danger of Blue Shield going under; but if you continue this wrangle, if you continue to ignore this type of thing, then you will be crushing the very individual doing 50 to 80 per cent of the work. Gentlemen, if you have read very much history you know that you can't do that with a very small minority. It sooner or later crops up.

We are pleading with you. We came in here with a resolution for \$5,000, which is what most of our people in Wayne County wanted. We are willing to accept this \$6,500 figure. But Dr. Stubbs, Dr. Carson and Mr. Castellucci came in here yesterday with a recommendation—and I don't think anybody in this room debates that these men are international authorities. They came in here with a recommendation of a \$6,000 level, not a \$6,500 level, not a \$7,500 level, and not a \$5,000 level. They came in with a figure of \$6,000, recommending that this be controlled at the local level as far as the fees were concerned.

So, I think you should give a lot of consideration to this matter, and certainly out of this group of men there can be some reasonable compromise so that people will be happy. You have got to have a large participation of doctors in the State, and no one group can stand up and dictate the fees. If it does, the whole thing is going to fail, as the doctor just said.

D. I. SUGAR, M.D.: We always hear, like small boys, that government or politics is going to do something to us. There is a new feeling abroad in the land, and I think medicine should take a stand on principle. You have big business having a showdown with labor. I am not worried about labor if we stand for principle. Let CHA or anybody start anything they want to.

I just want to say one thing. They say M-75 came as the response to a demand from the public. I dispute that. I believe in Blue Shield. The people want medical insurance.

Last year we had a deficit of 2 million dollars in Blue Shield. This year we have a deficit of 3 million dollars. M-75 was started because Blue Shield was going broke, according to their own financial statements, so they advised this procedure to give the public much more, and to charge them much more so they could get bigger fees. I don't think the public wanted it. I think Blue Shield wanted it.

As an accompanying gimmick, they have raised the fees to the doctor. What kind of a business organization increases its expenditures when its income is going down?

I spoke to two Directors of Blue Shield, and they admitted that that was part of the parcel, in order to sell it, to increase the doctor's fees.

I differ with Dr. Teed. I don't think it was put in because of pressure in Washington or labor or the legislature. I think it was put in as an expedient to keep Blue Shield from going broke.

Just one more thing. I believe in Blue Shield. I believe the public should be served first, but let's settle these things on principle and let's not be like small boys and think this is something we have got to do. Whatever the figure is that this group determines, I will go along with it—but I don't want it to be established under any misrepresentation.

J. W. RICE, M.D.: I would like to request the Speaker to put a three-minute time limit on individual debate on this motion.

THE SPEAKER: That is something the House will have to vote on.

E. G. KRIEG, M.D.: I so move.

[The motion was severally seconded, was put to a vote, and was carried unanimously.]

J. W. RICE, M.D.: Now I can't say much. (*Laughter*)

SEC. 2, JMSMS

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Gentlemen, I think we all came to this session hoping that we would be able to accomplish results on the question we have brought up. I know the Chairman of the Reference Committee has expressed his desire that we settle it at this session. I certainly hope it is settled, and I am sure every one of you would like to stop this bickering that we are having.

I think the Reference Committee could make a compromise resolution and most of us would go along with it. However, we heard yesterday about the financial difficulties of Blue Shield; you are all cognizant of that. The resolution that was presented this morning changes my resolution from an individual subscriber to a family subscriber. The only reason I am going to object to the \$6,500 ceiling for the family is this:

I talked to the union organizer in Jackson because I wanted to find out what their attitude would be toward this. He said they have many married couples working in Jackson, and they sold two new contracts there this last year, and he was afraid that if there were a ceiling set on family incomes both of these plans would cancel their contracts because there would not be adequate coverage for family income, husband and wife.

I suggested we set an individual income of \$6,500. When you set a family income of \$6,500, you eliminate that family because certainly the husband is going to make between \$4,000 and \$5,000 and the wife should be making at least \$3,000 or more. I think most of the families would be eliminated.

In an effort to compromise, I would like to suggest that the motion be amended to "That this House of Delegates—"

**THE SPEAKER:** Excuse me, Dr. Rice. We are talking now, you will remember, about Dr. Harris' motion, which was to postpone action until we got the results from the national.

**J. W. RICE, M.D.:** May I make an amendment to the substitute resolution offered by Dr. Sweeny?

**THE SPEAKER:** Not at this moment.

Let me think this thing through. Dr. Harris' motion in effect is the same type of motion as laying this on the table, except that as soon as you put a definite time into it it can be debated; and that is what we are actually debating at this particular moment.

**F. L. TROOST, M.D.:** Mr. Speaker, it is with deep regret that I have listened to this debate.

I would like to read a little excerpt from the *Journal of the American Medical Association*, dated September 12:

"Who Sets A Doctor's Fees?

"Not the individual physician," says Dr. Lewis Overton, President of the New Mexico Medical Society. "Whether you will admit it or not," he told the assembled physicians at the Denver Regional Conference on Insurance and Prepayment Plans several weeks ago, "the community in which you practice pretty much governs what your fees will be."

"Dr. Overton made the observation during a discussion of relative value studies. He said, 'We must not feel that by accepting relative value schedules we are giving away a prerogative exclusively our own.'"

We hear so much about, "Nobody is going to tell me what to charge!" This is what Dr. Overton said. My regret comes from the fact that I must come to one of these meetings and hear nothing but dollars. After all, I am a doctor, such as I am. My services are available to people whether they have money or not. I am not out after the last dollar I can get out of them, and I think each one of us doctors should bear that in mind—that we are doctors first and business men second. (Applause)

**R. L. NOVY, M.D.:** I would like to call attention to something that we are unnecessarily concerned with, I believe, in being misunderstood.

The substitute resolution that has been presented is a delaying tactic. That is true. There may be virtue in it. So also is there a delaying tactic in this \$6,500

"Resolved." Before you vote, may I call your attention to the fact that this House many years ago was up against a similar dilemma in which a resolution was brought in that Michigan Medical Service must divorce itself absolutely from Blue Cross, in every respect.

To that motion, which was ready to go through at that time because of the feeling present, Dr. Henry Luce made an addition, "as soon as it is actuarially sound."

That motion still stands on the books—that we must divorce ourselves, lock, stock and barrel, from Blue Cross as soon as it becomes actuarially sound to do so. That motion was passed. It is on the books.

Here also is a statement which, depending upon the attitude of this group, is not a mandatory thing. Read it, ". . . that as soon as feasible." Gentlemen, when is "feasible"? That is for you to decide.

"The maximum total family income for service contracts be established at \$6,500." That does not mean it is going to be done today, unless you say so. When is "feasible"? That is for you to decide. This is put in here so that no hasty action will be taken and so you will be allowed to do just what is asked here, namely, delay.

As it stands, it carries with it—and it was understood and discussed at the Reference Committee meeting—that that was the purpose of it, and that it did not mean it would be made mandatory now. It meant "feasible" from the point of view of the consent and willingness of every one of you present.

**THE SPEAKER:** We are discussing Dr. Harris' motion.

**D. W. THORUP, M.D.:** With regard to the substitute motion, as it is now called, and the way in which it was arrived at, I believe the members of the Reference Committee will bear me out when I say that the Chairman of this Reference Committee requested us to convene this morning to review the written report at a certain hour, and if all of the members had been present at that hour they would have seen this report sooner than the time it was stated. That is an aside.

One of the reasons this substitute resolution was presented is that it was felt, and was discussed in the Reference Committee meeting, and was said in the open hearings, that one of the ways of arriving at a figure, whatever that figure may be—\$5,000 or \$6,500 or \$7,500 or \$10,000, and some plans have \$10,000 service income limits—whatever figure is set, the question of what proportion or what segment of the population you choose to cover, what percentage of the people you want to cover with service benefits, we think is an important point, and one which may well be brought out by the studies by the National Blue Shield people and by the study that is being made at the University of Michigan.

**THE SPEAKER:** Are you ready for the question? The vote is on the substitute motion, which would delay action until reports are back from the National Blue Shield and the group at the University of Michigan.

**J. B. BLODGETT, M.D.:** The second "Resolved."

**THE SPEAKER:** This is in relation to the second "Resolved"; excuse me.

**R. W. TEED, M.D.:** I have a question. When we vote on the second "Resolved," does it also include the third and fourth "Resoleds"?

**THE SPEAKER:** I thought we would take care of this first. Your Reference Committee has separated the "Resolved" portions and I would say we have to act on them separately.

**R. L. NOVY, M.D.:** We are voting on Dr. Harris' resolution.

**THE SPEAKER:** Dr. Harris, will you read your substitute motion again, please?

**H. W. HARRIS, M.D.:** "In view of the pending study by a group of National Blue Shield Medical Care Plans, and in view of a current study of health insurance presently being conducted at the University of Michigan, and in view of the drastic changes involved in altering

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the contracts already being sold, and the possible reper-  
cussion affecting their sale, therefore I propose that no  
action be taken on substitute resolution "A," submitted by  
the Reference Committee, until the results of these  
studies are available and may be used to further clarify  
the subject."

C. I. OWEN, M.D.: Mr. Speaker, that is out of order.  
We are voting on the second "Resolved."

THE SPEAKER: No, we are not, Dr. Owen. This is a  
substitute motion for the second "Resolved."

C. I. OWEN, M.D.: He doesn't say that. He says  
"resolution 'A'."

THE SPEAKER: It is practically the same thing. All  
right, you can change it. It is the second "Resolved"  
in resolution "A."

H. W. HARRIS, M.D.: That is correct.

THE SPEAKER: Those in favor, say "aye"; opposed,  
"no."

The "no's" have it, 73 to 48.

Now we are ready to consider the second "Resolved"  
in resolution "A." The motion is to approve.

J. W. RICE, M.D.: I have another three minutes, Mr.  
Speaker.

The amendment to the Chairman's substitute resolu-  
tion that I am going to make is in an effort to keep the  
families, in which both husband and wife are working,  
in the service contract of Blue Shield.

I think you all understand that if we set a ceiling  
limit of \$6,500 when the husband and wife are both  
working, you will automatically eliminate that family  
from holding a service contract of that type. I think  
a lot of us want to keep those families in.

This is my motion: "That this House of Delegates  
directs the Executive Board of Michigan Medical Service  
to not sell medical service policies with guaranteed fee  
for service to any family with income above \$7,500."

That is just a difference of \$1,000, but I think it will  
keep in about 75 per cent of the families who might  
be eliminated with the \$6,500 level.

THE SPEAKER: The Chair would like to know whether  
this is a substitute resolution to "Resolved" No. 2, or  
whether it is an addition in the form of an amendment.  
I don't quite understand it, myself.

H. W. HARRIS, M.D.: My interpretation—

THE SPEAKER: In other words, if this is passed does  
it abrogate "Resolved" No. 2, or is it meant to simply  
amend?

H. W. HARRIS, M.D.: My interpretation of the sub-  
stitute "Resolved" No. 2, which states "that as soon  
as possible the maximum total family income for service  
contracts be established at \$6,500"—a family is a family,  
but you can have both husband and wife working, or  
you can have an individual subscriber working. If the  
individual subscriber is working, he is under the \$6,500  
ceiling. If both husband wife are working, then you  
have a \$7,500 limit.

THE SPEAKER: Just to be sure we understand it,  
you are putting this in as an amendment rather than  
a substitute motion?

H. W. HARRIS, M.D.: That is correct.

C. W. COLWELL, M.D.: Did we not settle the family  
income plan? If we have settled it, it is out of order  
to talk about it any more. I think the resolution was  
passed that the family income be rescinded. About an  
hour ago we voted on that and passed it. If we did,  
we cannot talk about it again unless we pass a motion  
to reconsider it. Any amendment having to do with  
family income would be out of order.

THE SPEAKER: In which case "Resolved" No. 2 then  
is also out of order, because this definitely sets the  
level.

C. W. COLWELL, M.D.: I thought the first "Resolved"  
was that family income was settled, and the second  
was the level. We are back to the level only, and not  
the family income.

THE SPEAKER: If I read it correctly, the second  
"Resolved" states "that as soon as feasible the maximum  
total family income for service contracts be established  
at \$6,500."

C. W. COLWELL, M.D.: The first "Resolved" that we  
voted on and passed was "that the basis for service  
contracts be determined on total family income, and  
that any preceding action to the contrary is hereby  
rescinded." That is what we passed.

THE SPEAKER: I don't deny that fact, but there is a  
motion before the House on "Resolved" No. 2.

C. W. COLWELL, M.D.: Which has to do with  
whether that family income will be \$6,500 or \$5,000 or  
whatever it might be.

R. L. NOVY, M.D.: We have not taken up anything  
as to what level of family income will be decided upon.  
We have that now before us.

The motion that was made is to the effect that if  
husband and wife are working, then we will allow a  
\$7,500 income; but if the husband alone is working, we  
will allow only a \$6,500 income. Am I correct?

J. W. RICE, M.D.: That is correct.

R. L. NOVY, M.D.: The maker of the motion agrees  
that I am correct. That is why I say there is misunder-  
standing, and I went over and spoke to the maker of the  
motion and I think he is in agreement. Will you say so?

J. W. RICE, M.D.: I agree with you entirely.

R. L. NOVY, M.D.: When this problem came up I had  
occasion to look into it a little bit. When husband and  
wife are working, the usual picture is a childless family,  
or almost so. Particularly and specifically I got hold of  
the figures from the Board of Education in Detroit which  
show that on the order of 70 per cent of their teachers  
(I think it is even higher than that, but I will under-  
stand it) are married. Their figures are very explicit.  
They can tell you how many divorcees are teaching,  
how many widows are teaching, how many married  
women are teaching. Of the teachers in Detroit, 70-odd  
per cent are working and are married and living  
with their spouses.

This means, then, that every schoolteacher in Detroit  
whose income is in the neighborhood of \$5,500 as an  
average, to \$6,000, has a husband who is working; but  
she hasn't a child because she wouldn't be teaching  
school if she had. They are both working. Their total  
income, even if he is working at the Ford plant, where  
the average is close to \$5,000, is a total of \$10,000 or  
better.

That isn't the kind of family we want to give charity  
to or special consideration to. We want to give consider-  
ation to the family in which there are seven kids and  
the mother has to stay home and can't work. We  
don't want to give charity to the family that has a double  
setup. (Applause)

R. L. NOVY, M.D.: I call for the question.

THE SPEAKER: Dr. Falls, I am perfectly willing to  
do so if it is the wish of this House; but, after all, the  
Reference Committee has been going through this busi-  
ness for two or three days, and it seems to me the time  
for decision has come. If it is the wish of this House—  
raise your hands and we will see.

J. J. COURY, M.D.: I respect Dr. Novy, but I would  
like to take exception to one insinuation he made about  
married schoolteachers teaching with no kids at home.  
We have a little different situation at home, where we  
are short of teachers. We have some very respectable  
teachers who have from two to seven children, and those  
teachers have to work to support their families. Some  
of their husbands aren't making as much as they are.

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**THE SPEAKER:** The question concerns Dr. Rice's motion, which is a \$7,500 limit when both husband and wife are working.

**H. W. HARRIS, M.D.:** I too object to this motion, on a different ground—the same ground on which I spoke previously, although not to any great length—and that is that the thing is unworkable. That is why I was against the family income.

I don't see how Blue Shield can sell a policy to somebody and go out the next week and see whether his wife is working. It might be ideally and legally good, but practically it is impossible.

**D. W. THORUP, M.D.:** I have a great deal of respect for Dr. Novy's opinions, but it seems to me he missed the whole point of his comment about Dr. Rice's motion.

This couple he is talking about, that is making all this money, isn't eligible for service benefits. They would be clear out of the picture.

**THE SPEAKER:** All those in favor of Dr. Rice's motion, say "aye"; opposed, "no." The motion is lost.

We are back now to "Resolved" No. 2 of resolution "A".

**L. F. HAYES, M.D.:** Mr. Speaker, I would like to speak to the second "Resolved." I attended all of the Reference Committee meetings and I know that the \$7,500 limit that we previously had was backed by valid statistics. These were quoted at the Reference Committee meetings.

However, the proposal for the \$6,500 did not quote any statistics as to what proportion would be covered, or why the \$6,500 was arrived at.

Dr. Blodgett quoted Dr. Stubbs as asking for a \$6,000 level. My interpretation of Dr. Stubbs' remarks before this House was that the \$6,000 is a specific contract for federal employees in which Michigan would participate, and it has nothing to do with the contract that we offer to the people of Michigan.

We have already gone on record as being in favor of family income determination. I think we all agree, and it was quite definite in the Reference Committee meetings, that normally this is right. The people who objected did so only because it is impractical; but now we are on record as stating, impractical or not, this is what we want and the Michigan Medical Service must implement it.

Now, if we are now on record as being in favor of family income determination, I think this makes a difference in our level. Since we now have family income determination, I think our level should be higher and we should keep it at \$7,500.

Inasmuch as there are no statistics to back up why the \$6,500 was picked, I don't think this motion should be passed.

**G. S. WILSON, M.D.:** I think we should give credence to the wisdom of members of the Reference Committee rather than carry on too much. I don't believe there are any small boys here who are afraid of anything for themselves. Consequently, why are we afraid to trust in the wisdom of those whom we elect to represent us on a larger scale?

The wisdom in this "as soon as feasible" should be apparent, and the facts cannot be ignored, and I doubt that anyone at a higher level in The Council or who has to work out what is meant by "as soon as feasible" would do anything to hurt anyone. Consequently, I see no reason for not passing "Resolved" No. 2.

**F. B. LEVAGOOD, M.D.:** Mr. Speaker, the question has been called for, and if the Chair does not wish to shut off discussion I would formally ask for the question. Then you can take a vote to see whether we want to shut off discussion.

**THE SPEAKER:** Gentlemen, we have listened to everybody here on both sides of this thing to the best of our ability. This calling for the question all the time is ridiculous. I haven't prolonged this meeting unduly. If you want to take a vote on the question in a formal way, if you make that in the form of a motion, I can do nothing except ask for a second and take a vote

as to whether you want to stop debate right here. I am trying to run this meeting carefully. (*Applause*)

**W. A. HASTY, M.D.:** Am I to understand that if they set this maximum at \$6,500, no one with income in a family above \$6,500 can buy a noncertified income policy? Are they going to discontinue noncertified income policies?

[*Cries of "No."*]

**D. N. SWEENEY, M.D.:** Mr. Speaker, it was not the intent of this motion to discontinue the sale of noncertified income policies, and there are specific resolutions in that regard further on in the report of the Reference Committee.

**D. W. THORUP, M.D.:** Mr. Speaker, I hope all the members of the House are aware, in considering this new income level, that it means of course a revision of fees downward.

**THE SPEAKER:** Is there further discussion? Are you ready for the question? The question is to approve "Resolved" No. 2, setting the family income level at \$6,500. All those in favor, raise your hand. All those opposed. The vote is 84 to 27 for approval.

**J. B. BLODGETT, M.D.:** Mr. Speaker, I move the acceptance of the whole resolution.

(*The motion was severally seconded.*)

**THE SPEAKER:** All those in favor, raise your right hand. The reason I am calling for this show of hands is because it was specifically requested that the vote be counted and recorded. All opposed, raise your right hand. The vote is 110 to 4 in favor. The motion is carried.

## XI. MICHIGAN FOREMOST FAMILY PHYSICIAN

**THE SPEAKER:** May I interrupt the deliberations of this assembly for a moment to read a telegram addressed to the Speaker of the House:

"Through Congressman Alvin M. Bentley I have learned that your delegates have elected Dr. Archer A. Clayton as Michigan's Foremost Family Physician. This honor is a tribute to the career of a distinguished physician and public servant. The choice of Dr. Clayton reflects the high standards of your profession. Please give him my congratulations, and my best wishes to all his colleagues. s/ Dwight D. Eisenhower." (*Applause*)

## XVIII—13(e). FREEDOM OF CHOICE OF CONTRACT IN MMS

(*Dr. Sweeny read resolution No. 3.*)

**D. N. SWEENEY, M.D. (continuing):** The Reference Committee recommends approval of this resolution by amending it to read as follows in the second "Resolved." Words should be inserted and proper deletions made so that it would read:

**"RESOLVED:** That the House of Delegates request Directors of Michigan Medical Service to give each purchaser or group purchaser of its contract, as the case may be, the option of choice of plans currently offered for sale, and that the eligibility for service benefits under income-not-certified contracts be determined by mutual agreement between the physician and the patient."

The Reference Committee recommends deletion of the third and final "Resolved" in the original resolution.

Mr. Speaker, I move the adoption of this resolution as amended.

**E. G. KRIEG, M.D.:** Second.

[*The motion was put to a vote and was carried unanimously.*]

## XVIII—13(f). MMS: PROMOTE SALE OF DEDUCTIBLE AND LIMITED SERVICE CONTRACTS

[*Dr. Sweeny read resolution No. 14.*]

**D. N. SWEENEY, M.D. (continuing):** Your reference

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Committee has been advised that such contracts mentioned in the resolution are already available, but that only 2 to 3 per cent of the subscribers have availed themselves of these opportunities. Your Reference Committee recommends that no action be taken on this resolution.

Mr. Speaker, I move the adoption of this part of the report.

R. W. TEED, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

### XVIII—13(g). ITEMIZATION OF BLUE CROSS-BLUE SHIELD PREMIUM NOTICES

[Dr. Sweeny read resolution No. 30.]

D. N. SWEENEY, M.D. [continuing]: This Reference Committee approved the sense of this resolution, but it notes that only 15 per cent of subscribers are billed individually. The Reference Committee recommends wider distribution of information differentiating between hospital and medical costs.

We therefore recommend the following added "Resolved" as an amendment.

"RESOLVED: That wider distribution by Michigan Medical Service of information differentiating between hospital and medical costs be encouraged."

Mr. Speaker, I move adoption of this resolution as amended.

C. L. WESTON, M.D.: Second the motion.

[The motion was put to a vote and was carried unanimously.]

### XVIII—13(h). MMS: CHANGES IN PUBLIC ADVERTISING

[Dr. Sweeny read resolution No. 40.]

D. N. SWEENEY, M.D. [continuing]: The Reference Committee recommends disapproval of this resolution.

Mr. Speaker, I move adoption of this part of the report.

[The motion was severally seconded.]

LOUIS JAFFE, M.D.: I would like to ask Dr. Baumgarten what the sense was. I would guess what he had in mind was that Michigan Medical Service include Blue Cross as well as Blue Shield, and that a high percentage of the expense is hospital expense, and therefore this is not entirely the Doctors' Plan.

Dr. Baumgarten, was that what you had in mind?

E. C. BAUMGARTEN, M.D.: Mr. Speaker, the original resolution as I presented it was turned over to the Resolutions Committee. The phrase "The Doctors' Plan" was not included in my resolution. That was not in it. My intent was merely to delete from advertising that Blue Shield pays the doctor, without "The Doctors' Plan" being in there.

The reason for the resolution was this: For many years Blue Shield and Blue Cross—and incidentally, Dr. Jaffe, the advertising of Blue Cross and Blue Shield is a joint operation, not a separate thing; it is a joint deal. In my opinion there have been many arguments by patients, regardless of which contract they have and whether they are eligible for service or not, who have come up with the argument that "The advertising says Blue Shield pays the doctor." They infer that under any circumstances whatever the bill is paid in full. That was my idea.

I have no objection whatsoever to this. My only feeling was that "The Doctors' Plan" should be deleted, and that the advertising should be confined to facts, which in this particular instance it does not do.

J. D. FRYFOGLE, M.D.: Mr. Speaker, if the assembly continues to move under the momentum it is going, I think disapproval would be very worthwhile, because we may well all be working for a Doctors' Plan.

THE SPEAKER: The motion is to disapprove resolution No. 40. Are you ready to vote? Those in favor, say "aye"; those opposed, "no." The motion is carried.

### XVIII—13(i). HOUSE OF DELEGATES PERMANENT ADVISORY COMMITTEE ON FEES

D. N. SWEENEY, M.D.: The next item considered by the Reference Committee was the annual report of the Permanent Advisory Committee on Fees, 1958-1959, found on page 97 of the Handbook for Delegates. The Reference Committee recommends the approval of this report.

Mr. Speaker, I move the adoption of this part of the report.

[The motion was severally seconded, was put to a vote, and was carried unanimously.]

### XVIII—13(j, k, and l). MMS: PARTICIPATING AND NONPARTICIPATING PHYSICIANS TO BE PAID IN SAME MANNER (Three Resolutions)

D. N. SWEENEY, M.D.: Next, the Reference Committee considered resolutions Nos. 10, 17 and 20, which I will read in order—in that order. These resolutions have to do with the problem of nonparticipating and participating physician designation. I will read them and then the Reference Committee will propose a substitute resolution.

[Dr. Sweeny read resolutions Nos. 10, 17 and 20.]

D. N. SWEENEY, M.D. [continuing]: The Reference Committee proposes substitute resolution "C," which I will read and of which you have a mimeographed copy. This is substitute resolution "C," a substitution for resolutions Nos. 10, 17 and 20 just read.

"Whereas, there has been much discontent created by the present method of payment for services rendered by the nonparticipating physician; be it

"RESOLVED: That to avoid this distinction between participating and nonparticipating physicians, it is recommended that Michigan Medical Service incorporate on the Doctor Service Report form a statement of assignment to be signed by the subscriber when payment is to be made to a nonparticipant."

Mr. Speaker, I move the adoption of this substitute resolution.

[The motion was severally seconded.]

R. R. COOPER, M.D.: Mr. Speaker, as a delegate from the County which has probably been the loudest, and I being one of the loudest voices in that community, I rise to say that I think this is a nice way of doing it. I will have to recognize the tenor of the group here, feeling that this differential should be made, and I speak in favor of this resolution.

However—and correct me if I am wrong—I understand that the National Board of Blue Shield recommended that two more squares be added to this, one of which would say that the service had been given, and the other to say that they were not over the specified income level. I am sure this was considered, but it seems to me these are valuable things, and I therefore move their addition to this very fine motion.

D. N. SWEENEY, M.D.: Dr. Cooper, you are entirely correct. In discussion before the Reference Committee's open hearing, and also in discussion for information which your Reference Committee had with the members of the National Blue Shield Commission, the subject was considered.

It was not a part of the original motion, as you have noted. The Blue Shield Commissioners told us that in other parts of the country a box was placed on the Doctor Service Report which made mention of the fact that a subscriber was either over or under income

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and had received the service. It was suggested that a further line might be added—but that is not the sense of the motion as it comes from the Reference Committee except by your amendment.

THE SPEAKER: Dr. Cooper, will you state your amendment again? It is an amendment, is it not? Would you move it again?

R. R. COOPER, M.D.: I move that this resolution be amended to include, in the assignment, the following: ". . . and be it further

"RESOLVED: That this assignment includes designation of (1) whether the service has been received, and (2) whether the subscriber is above income level or not."

E. C. BAUMGARTEN, M.D.: I am entirely in favor of this resolution, but the Doctor Service Report as it is today is rather a large, bulky document. This may not be necessary.

Many of us have been using assignment forms which we have had printed and carry in our pocket very easily. I think in order that there be no mistake, it would not be a bad idea to add to the last sentence, "and that any other form of proper or valid assignment be acceptable."

I make that as an amendment.

R. L. NOVY, M.D.: I think we are wasting quite a little time. In the first place, in regard to Dr. Cooper's amendment, that was a form that was suggested, and they used it in Washington, D. C. We had a copy of it. It involved a checking of six or eight different slots that were used in their method. This allows, simply, handling of the immediate problem.

The consideration of the use of slots and what was used in Washington, D. C., was one of the problems we expected and turned over to the Blue Shield Commission in their look at the relation between Medical Service and the doctor.

The same in regard to Dr. Baumgarten's statement. An assignment is always legal, whether it is written on toilet paper or not. (Laughter)

C. W. COLWELL, M.D.: Mr. Speaker, although I am very much in favor of this, I would bring to your attention the fact that it does not answer the question that was in the original resolution. The original resolution said we would make no distinction between participating and nonparticipating. The substitute resolution has nothing to do with participating and nonparticipating. It merely defines a way of paying a nonparticipating physician.

I also would like to put in the record that this will not handle the problem that it was attempted to handle in the House of Delegates meeting a year ago, when it was passed that no information would be disseminated whereby lists of participating or nonparticipating physicians would be produced.

However, in our county it was printed in a newspaper showing the list of the participating physicians. I think that is a thing we are trying to get away from, so there will be no distinction between the two and no stigma attached to either a participating or a nonparticipating physician, depending on how the patient or the physician feels.

I don't know how to do it, but I would like to add some sort of an amendment to this that would answer our original resolution.

D. N. SWEENEY, M.D.: Dr. Colwell, the Reference Committee was cognizant of this difficulty, and we compromised at this level. I think you can recognize it as a compromise, because we have been told that any great resignation from the participating physician rolls would make the action of the Michigan Medical Service a fraud on the public.

We are trying very hard, and I recognize that some of these statements you may take exception to, but we have recognized that showing of a distinction between the participating and nonparticipating physician. We feel, after spending three hours on this subject, that this is the least onerous method of distinguishing between one class and the other.

We recognize that if you do not feel this resolution is an adequate substitute for resolution No. 20, you may in some way reintroduce that resolution, according to how the Speaker wants it done. We tried very hard to reach a compromise in this way.

F. P. RHOADES, M.D.: Mr. Speaker, I think we are crossing this matter with the department by how the statement appears on the Medical Service Report. As long as it does not say that this assignment is necessary because the physician is nonparticipating, as long as it is a noxious statement saying that they hereby assign payment to the physician who rendered the service, without any comment, I don't think there would be any difficulty about that.

L. F. HAYES, M.D.: Speaking to Dr. Cooper's proposed amendment, I am quite certain that the present Doctor Service Report includes a space where the patient says that the service has been received.

[Cries of "No."]

D. N. SWEENEY, M.D.: May I correct Dr. Hayes. The Doctor Service Report (and that is a poor term)—there are two of them. The Class 1 benefit does not include that. The Class 2 benefit reports do.

THE SPEAKER: Gentlemen, I have allowed you to discuss the main motion, but actually we should be discussing the amendments first.

E. C. BAUMGARTEN, M.D.: Mr. Speaker, as far as Dr. Novy's statement is concerned regarding toilet paper, I will be glad to withdraw my amendment.

[The seconder also withdrew.]

THE SPEAKER: The second amendment is withdrawn. We still have Dr. Cooper's amendment. Do you want a vote on it, Dr. Cooper?

R. R. COOPER, M.D.: I think it might be worthy of consideration, so I would like to hear it discussed.

C. W. COLWELL, M.D.: I don't believe there should be any mention in the paper of an income level. Let's settle that. Why do we want to put the income level in it?

R. R. COOPER, M.D.: May I attempt to answer that? That was pointed out to me. I must admit I haven't had any experience with these forms. I have been taking the reports of the National Board. But it does seem to me we have had a lot of discussion here about whether a doctor is too embarrassed to ask his patient how much he makes, and just how one would get a credit rating on a doctor, and I think this is probably a way that would cause no embarrassment to anybody.

You could have your patient check that when he comes into the office. I don't think the patient would object, and it might give some information in a very simple and easy way. I think it has value along that line. That may not be germane to participating and nonparticipating, but I think it should be included in the amendment.

THE SPEAKER: Is there further discussion? You are now voting on the amendment made by Dr. Cooper. Those in favor, say "aye"; those opposed, "no." The amendment is lost.

We are back to resolution "C," presented by the Reference Committee, which is a substitute resolution for Nos. 10, 17 and 20.

J. J. COURY, M.D.: I see no trouble in passing this resolution, since the smoke screens have been cleared away. "Participating" and "nonparticipating" should go too, without any difficulty.

A. M. LARGE, M.D.: Why does the "Resolved" say "subscriber" rather than "patient"? It is customary to have the patient sign. Why is it changed from "patient" to "subscriber"?

D. N. SWEENEY, M.D.: Your point is well taken, Dr. Large.

R. L. NOVY, M.D.: Would Dr. Large expect the infant child to sign?

A. M. LARGE, M.D.: "Patient" means an adult—a person of age. (Laughter)

E. J. TALLANT, M.D.: I would like to amend it to read "patient or subscriber." I so move.

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[The amendment was severally seconded.]

A. M. LARGE, M.D.: Mr. Speaker, may I comment again? This of course applies to people who are legally able to sign. It is simply a matter of convenience for the doctor taking care of them.

E. G. KRIEG, M.D.: Mr. Speaker, the subscriber is the one who pays the premiums, not the family. He is the one who has to sign this form.

THE SPEAKER: The amendment is to use the words "patient or subscriber." Further discussion?

R. L. Novy, M.D.: I think you are muddying up the waters and you are going to have to go into legal setups, because the patient isn't the one who pays the bill or receives the contract. A baby is the one you are talking about. A baby can't sign its name, and neither can an illiterate, but all that is needed is a scratch and a witness, and that is its signature.

D. W. THORUP, M.D.: Mr. Speaker, Michigan Medical Service now accepts the signature of a responsible, legally competent member of the family.

THE SPEAKER: It does not make a difference?

D. W. THORUP, M.D.: Not as far as Michigan Medical Service is concerned.

THE SPEAKER: It is a legal dependent, of age?

D. W. THORUP, M.D.: That's right.

THE SPEAKER: Mr. Dodd, do you have any comment to make on that?

MR. DODD: No sir.

THE SPEAKER: Are you ready to vote on the amendment? All those in favor of the amendment, say "aye"; opposed, "no." We will have a show of hands. All those in favor, raise your right hand. The amendment is to include the words "patient or" before the word "subscriber." If I understand correctly, the amendment would insert two words, "patient or."

Those in favor, raise your right hand. Those opposed raise your right hand. The official count is 100 for it and 13 against. The amendment is carried.

Now we are back to the substitute resolution "C" as amended. All those in favor, say "aye"; opposed, "no." It is carried.

### XVIII—13(m). MCIC's STUDY ON ALTERNATE METHODS OF PAYMENT TO NON-PARTICIPATING PHYSICIANS

D. N. SWEENEY, M.D.: The next item of business before the Reference Committee was consideration of the Report On Alternative Methods Of Payment To Nonparticipating Physicians, from the Medical Care Insurance Committee of the Michigan State Medical Society.

This report was carefully considered. The intent of this report has been carried out in the substitute resolution "C" just discussed and passed.

The Reference Committee commends Dr. Max Licher and his Medical Care Insurance Committee for the amount of work expended on this extensive study. The preliminary report of the special committee of Blue Shield Medical Care Plans to Study Certain Current Problems of Michigan Medical Service, presented by Dr. Stubbs to the House of Delegates, substantiates much of the MCIC report.

Mr. Speaker, I move the adoption of this part of this report.

L. F. HAYES, M.D.: Support.

[The motion was put to a vote and was carried unanimously.]

### XVIII—13(n). PRESENTATION MADE BY CHAIRMAN, NATIONAL BLUE SHIELD PLANS

D. N. SWEENEY, M.D.: The next portion of the material presented to your Reference Committee for consideration was the preliminary report of the Special Committee of Blue Shield Medical Care Plans to Study Certain Current Problems of Michigan Medical Service, presented by Dr. Stubbs.

We were very much impressed by this report of Dr. Donald Stubbs, Dr. Russell Carson and Mr. John Castellucci. We note that they are prepared to make "a study of management, administration and corporate structure of Michigan Medical Service" at the request of Michigan Medical Service. This is a study which we believe is urgently needed.

We are also pleased that this group is willing to study the entire problem of the relationship of Michigan Medical Service and the Michigan State Medical Society. We recommend that this study be undertaken. We further recommend the appointment of a special committee of the House of Delegates to co-operate with the National Blue Shield Commission Committee. This committee should be not less than five nor more than seven members, appointed by the Speaker of the House of Delegates. This committee should report to the House of Delegates at its next meeting, if that be March 1960, or otherwise to The Council if its recommendations need implementation before the next regular meeting of the House of Delegates, at which time this committee should otherwise report.

Mr. Speaker, I move the adoption of this part of this report.

[The motion was severally seconded.]

W. S. CARPENTER, M.D.: Do I understand we are approving all of Dr. Stubbs' report, or just one part of it? I would like to know specifically whether we are approving paragraph 5 on page 7.

D. N. SWEENEY, M.D.: That should be so stated. We are not, because that is the next item I would like to bring up.

I will amend my motion to exclude item 5, page 7 of the report from the present matter under discussion.

[The amendment was severally seconded.]

THE SPEAKER: Is there discussion on the amendment?

G. S. FISHER, M.D.: I am sorry I don't have that material with me. Could you tell us what it is about?

D. N. SWEENEY, M.D.: Dr. Fisher, do you request that the entire report be read?

G. S. FISHER, M.D.: No.

D. N. SWEENEY, M.D.: The excluded item on page 7, paragraph 5, is as follows:

"Because so-called national accounts represent an increasingly important source of subscribers to Blue Shield, and because the Federal Employee Health Benefits Act recently enacted into law represents a potential source of enrollment of real significance, it is imperative that we lose no time in getting 100 per cent Plan participation in our Blue Shield National Account Agreement. Therefore, we recommend that Michigan Medical Service adopt the National Account Agreement featuring a uniform scope of benefits under which Service Plans provide a \$6,000 family income level contract. The fee schedules are determined locally and are to be related to a \$6,000 income level program for the area concerned."

"It is imperative that we have the National Account program available for employees of the Federal Government. Michigan's participation is indispensable to us in this effort. We urge the Board of Michigan Medical Service to approve participation of the Plan in our National Account Agreement in addition to contracts currently offered."

THE SPEAKER: This is being excluded. Do I understand you have a resolution concerning this particular item?

D. N. SWEENEY, M.D.: Yes, sir.

THE SPEAKER: The amendment is to exclude this portion from the matter you are now voting on, which is Dr. Stubbs' entire report. Any further discussion?

[The motion was put to a vote and was carried unanimously.]

THE SPEAKER: The amendment is carried unanimously. Now we will vote on Dr. Stubbs' report, which has been approved by the Reference Committee with this exception. Any discussion?

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[The motion as amended was put to a vote and was carried unanimously.]

### NATIONAL ACCOUNT AGREEMENT

D. N. SWEENEY, M.D.: Further comment concerning the report given this House of Delegates by Dr. Stubbs stimulates a recommendation from this Reference Committee that Michigan Medical Service adopt the National Account Agreement urged by Dr. Stubbs in item 5, page 7 of his report, and that this recommendation be made by the House of Delegates, any prior actions to the contrary notwithstanding.

Mr. Speaker, I move the adoption of this portion of the report.

[The motion was severally seconded.]

R. E. WUNSCH, M.D.: Mr. Speaker, I would like to draw the attention of the House of Delegates to the fact that although I am sure all of us listened to Dr. Stubbs' report with great interest, and I am sure we are very interested in the possibility of this, I wonder if perhaps a little more detailed information might well be made available to us, since this is again a rather blanket and somewhat long-range action.

I therefore would ask whether we could have more information made available.

THE SPEAKER: The Chairman of the Reference Committee, anticipating this request, asked the Speaker for the privilege of having Mr. Jay Ketchum come in and talk about this matter. Would you like to give him three minutes? (Applause)

MR. JAY KETCHUM: I will have to decline the three minutes. Mr. Castellucci is here and is better equipped to speak.

MR. JOHN CASTELLUCCI: Mr. Speaker and gentlemen, our National Account Agreement is an agreement signed by most Plans and was arrived at to take care of National Accounts, to get away from some of the difficulties of the various Blue Shield Plans mostly in underwriting. We have uniformity in the underwriting process where it concerns age limits on dependents, the number of days of in-hospital medical, whether you start with the first day or the second day. I will describe the whole program.

The scope of benefits is uniform, and in the scope of benefits we provide surgery in and out of the hospital; in-hospital medical care; all of the ancillary services such as x-ray, pathology, physiatry and anesthesia when performed and billed by a doctor who customarily bills for his services.

This is pretty much a standard program of Blue Shield. The income level is the mean income level across the country, a \$6,000 family income. This is being asked for by the federal employees, as we understand about three-fourths of the federal employees fall within that income bracket.

The scope of benefits is not in variance with programs that have existed heretofore. It was not our intention that this would change any of the existing programs in any given area. There are a number of states that have income levels considerably higher—up to \$10,000. It is our intention to be able to offer one that is uniform so that the national employer can buy something that will be the same for all employees.

If you have any questions I will be happy to try to answer them.

R. L. NOVY, M.D.: I have two questions. In the first place, where is the fee schedule determined?

MR. CASTELLUCCI: The fee schedules are determined locally. You apply your own fee schedules to the income level.

R. L. NOVY, M.D.: Secondly, is there any change in the present income level that Michigan has? Would it necessitate a separate arrangement as far as income limits are concerned?

MR. CASTELLUCCI: It would.

R. L. NOVY, M.D.: To what extent?

MR. CASTELLUCCI: \$6,000 family income level.

R. L. NOVY, M.D.: The present one is \$7,500. Do you have to go down or can you use the one that is in Michigan?

MR. CASTELLUCCI: In this particular case, particularly with federal employees, I believe you would have to go down to \$6,000.

THE SPEAKER: Thank you, Mr. Castellucci.

E. C. BAUMGARTEN, M.D.: May I ask Mr. Castellucci a question. He said 100 per cent participation throughout the country. Is this participation meant only as far as Plans are concerned, or in order to validate these National contracts do you have to have 100 per cent participation of the physicians?

MR. CASTELLUCCI: Of the Plans.

W. J. FULLER, M.D.: I would like to bring up one point. Dr. Stubbs said we should do this because it represents an increase in business that is obtainable. That is not our principle. Our principle has been that we would provide medical care to more people who deserve it. That should be considered.

THE SPEAKER: Further discussion? Are you ready for the question?

[The motion was put to a vote and was carried unanimously.]

### XVIII—13(o). MMS: STUDY OF REMUNERATION FOR PROLONGED AND/OR COMPLICATED CASES

D. N. SWEENEY, M.D.: The next item of business before this Reference Committee was the consideration of resolution No. 38, which I will read.

[Dr. Sweeny read resolution No. 38.]

D. N. SWEENEY, M.D. [continuing]: Your Reference Committee approves this resolution in principle, but recommends that this problem of prolonged and/or complicated care be referred to that committee of the House of Delegates of the Michigan State Medical Society appointed to work in co-operation with the advisers from the National Blue Shield Commission for review of Michigan Medical Service problems.

In support of this, your Reference Committee offers substitute resolution "B," as follows:

"Whereas, the Michigan Medical Service Fee Schedule does not take into consideration the need for additional remuneration in cases where the care is prolonged and/or complicated; therefore, be it

"RESOLVED: That the committee of the House of Delegates of the Michigan State Medical Society appointed to work in co-operation with the advisers from the National Blue Shield Committee for review of Michigan Medical Service problems be instructed to include in its study the remuneration for the care of prolonged and/or complicated cases; and be it further

"RESOLVED: That this committee shall report its findings and recommendations to the House of Delegates at the next meeting."

Mr. Speaker, I move the adoption of this substitute resolution.

[The motion was severally seconded, was put to a vote, and was carried unanimously.]

### XVIII—13(p). REAFFIRMING 1957 STATEMENT OF PRINCIPLES

D. N. SWEENEY, M.D.: The next item of business before the Reference Committee was resolution No. 8, which I will read.

[Dr. Sweeny read resolution No. 8.]

D. N. SWEENEY, M.D. [continuing]: The Reference Committee feels that at this time no action should be taken on this resolution, but in lieu thereof this Reference Committee recommends the following substitute resolution "D":

"RESOLVED: That the Statement of Principles of Prepayment Medical Care Insurance, as approved by the House of Delegates in September 1957, be referred for review and revision to the special committee of the House of Delegates of the Michigan State Medical

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Society to be appointed to co-operate with the National Blue Shield Commission."

Mr. Speaker: I move the adoption of this part of our report.

[*The motion was severally seconded.*]

D. N. SWEENEY, M.D.: The Speaker has called my attention to the fact that I read the resolution differently from the way it was stated in the mimeographed copy. The words "for review and revision" should be placed after the words "be referred."

A. C. STANDER, M.D.: Does this motion imply that after revision this will be returned to the House of Delegates for their approval?

D. N. SWEENEY, M.D.: It implies it but does not state it. You might wish to so amend it.

A. C. STANDER, M.D.: I wish to amend this motion to state that after it has been reviewed and revised it be returned to the House of Delegates for approval.

F. P. RHOADES, M.D.: Support.

G. S. FISHER, M.D.: Does a special committee of the House have to report to the House?

THE SPEAKER: The special committee of the House reports back to the House, yes. There is nothing in this resolution that says when it shall report. I am not sure if it so stated in the previous resolution.

The point of order is that it is not necessary, because special committees automatically report to the House, Dr. Stander. Do you still want to tack that on?

A. C. STANDER, M.D.: That was why I originally asked the question before I made the amendment. If it is unnecessary, I will withdraw my amendment.

THE SPEAKER: It is not necessary.

W. J. FULLER, M.D.: This asks for approval, not only for information but also for approval.

THE SPEAKER: Dr. Stander's amendment asked for approval, but the word "approval" actually connotes that it may be disapproved, too. I think we are perfectly safe if we leave it as it is.

C. I. OWEN, M.D.: I think from the hubbub here the feeling is that this is just a little incomplete, and it ought to read ". . . and report back to the House of Delegates at its next meeting." I move that amendment to the resolution.

THE SPEAKER: This is in the form of an amendment, that it be reported back at the next meeting. If it is an interim report it will be an interim report.

[*The amendment was severally seconded.*]

E. M. VARDON, M.D.: I have been told that this committee as set up has already been instructed to report to our next meeting; isn't that correct. If so, it seems to me this amendment is hardly necessary. I may be misinformed.

C. I. OWEN, M.D.: Just one point. This motion as it now stands gives the committee the power to review and revise, when they should not have that power. Anything they do should be brought back to the House of Delegates, even referring to this specific item. If we are not careful, that committee could revise it on their own. That is the reason why I made the amendment.

J. D. MILLER, M.D.: Would Dr. Owen accept "review and recommend revisions?"

R. L. Novy, M.D.: In order to expedite it, Mr. Speaker, let's act on the resolution. It is redundant, but let's act on it.

C. I. OWEN, M.D.: A point of order.

THE SPEAKER: The amendment is to report back to the House of Delegates at its next meeting. That is an official amendment. All those in favor, say "aye"; opposed, "no." It is carried.

Are you ready to vote on the main motion as amended?

[*The motion as amended was put to a vote and was carried unanimously.*]

## XVIII—13(q). MSMS SPONSORSHIP OF A PRE-PAID MEDICAL CARE INSURANCE PLAN

D. N. SWEENEY, M.D.: Your attention is directed to resolution No. 12, which I will read.

[*Dr. Sweeny read resolution No. 12.*]

D. N. SWEENEY, M.D. [continuing]: The Reference Committee recommends that this resolution be approved.

Mr. Speaker, I move the adoption of this part of the report.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

## XVIII—13(r). HOUSE OF DELEGATES TO APPROVE PREPAYMENT PLAN CONTRACTS

D. N. SWEENEY, M.D.: The next and last item on the agenda of our Reference Committee was resolution No. 21, which I will read.

[*Dr. Sweeny read resolution No. 21.*]

D. N. SWEENEY, M.D. [continuing]: Careful consideration was given to this resolution. Your Reference Committee recommends that no action be taken on it at this time, but recommends that this problem be specifically referred to the committee of the House of Delegates appointed to work in co-operation with the advisers from the National Blue Shield Commission for review of Michigan Medical Service problems.

Mr. Speaker, I move the adoption of this part of the report.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

D. N. SWEENEY, M.D.: Mr. Speaker, I move the adoption of the entire report as amended.

[*The motion was severally seconded, was put to a vote, and was carried unanimously.*]

S. E. CHAPIN, M.D.: Mr. Speaker, I move a rising vote of thanks to Dr. Sweeny and his Reference Committee for the excellent job they have done.

(*The House arose and applauded.*)

THE SPEAKER: Gentlemen, we will be through very shortly. I certainly do not want to create any further discussion, and I hope there will be none. If you want to do something about it, somebody can make a motion and then we vote and get it over with.

Your Speaker ruled this morning that a resolution concerning a meeting in March was out of order. There is another way you might accomplish this. If you want to know how to do it, I'll tell you.

You may recess this meeting. I have checked with legal counsel about it, and you do not have to have any unfinished business in order to recess a meeting. You may recess this meeting to a specified time, which could be set at the time of the MCI meeting in March, if you wish.

Let's settle it quickly if we can.

G. S. WILSON, M.D.: I move that this meeting adjourn.

[*The motion was severally seconded.*]

THE SPEAKER: I cannot possibly express to the chairmen and members of the various reference committees and to the people who have participated in the deliberations of this House how grateful I am to you for the time, effort, energy and wisdom you have used to settle some of these problems. I am sure that not only should we accord Dr. Sweeny's Reference Committee a rising vote of thanks, but that we should do so for all of the reference committees. Will you do that at this time, please?

(*The House arose and applauded.*)

THE SPEAKER: Dr. Stander has a note to add.

A. C. STANDER, M.D.: Mr. Speaker, in the last two years our deliberations have been less confused and have been considerably accelerated and clarified by having had copies of the resolutions and other information made available to us.

The dissemination of this information to the House of Delegates has been considerably improved this year over last year, and therefore I formally move that the entire administrative staff of the State Society be com-

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mended; that Mr. Philleo and his staff particularly be commended, and if possible and if he is able at this time, that they brought before the House for a rising vote of thanks.

G. S. WILSON, M.D.: I think he is out of order, but let's do it. (*Laughter*)

THE SPEAKER: It won't be the first time we have been out of order. (*Laughter*)

[*The House gave a rising vote of thanks to the staff.*]

**XXII. ADJOURNMENT**

[*The motion to adjourn was put to a vote and was carried unanimously.*]

(*The House adjourned sine die at 12 o'clock noon.*)







